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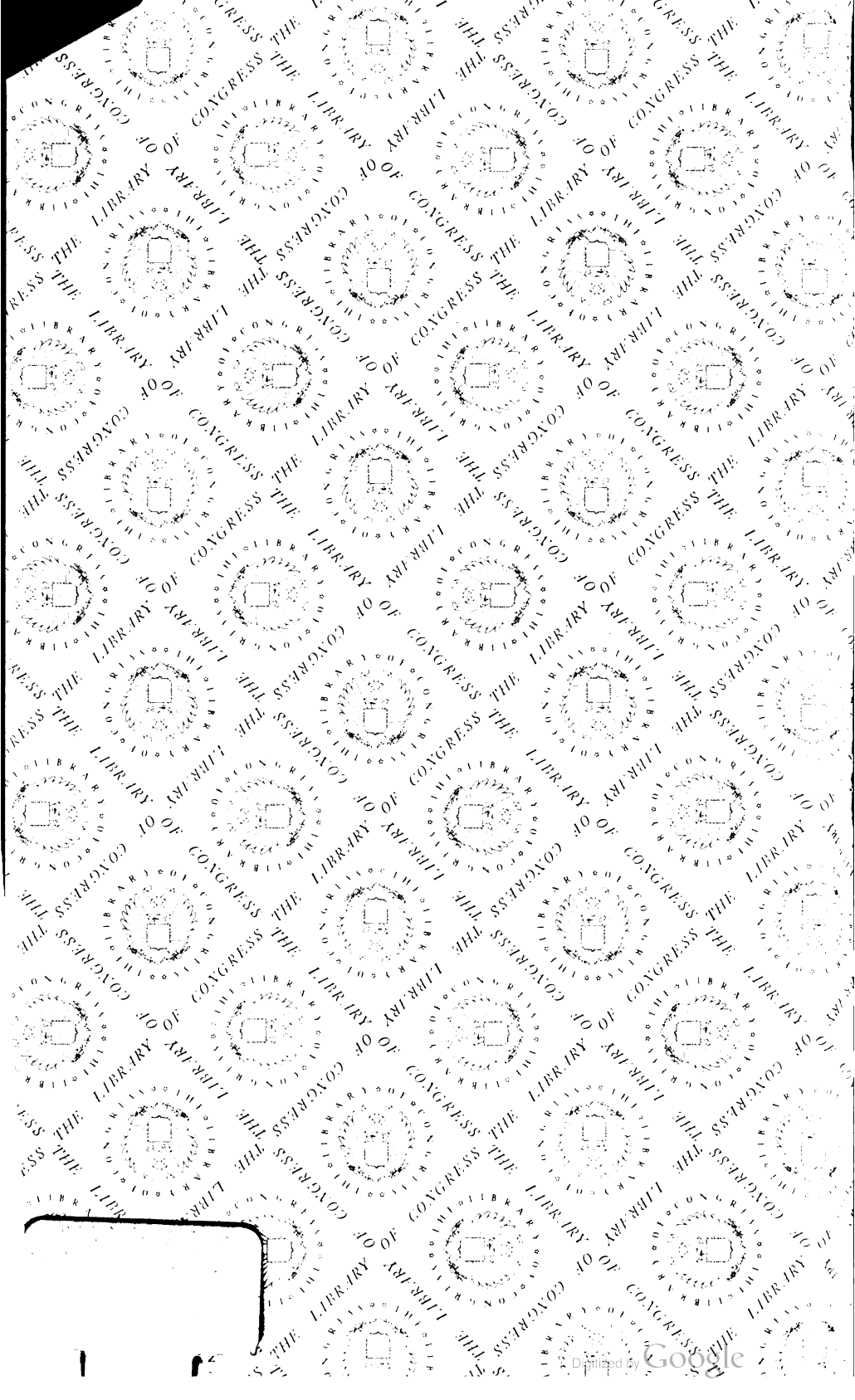
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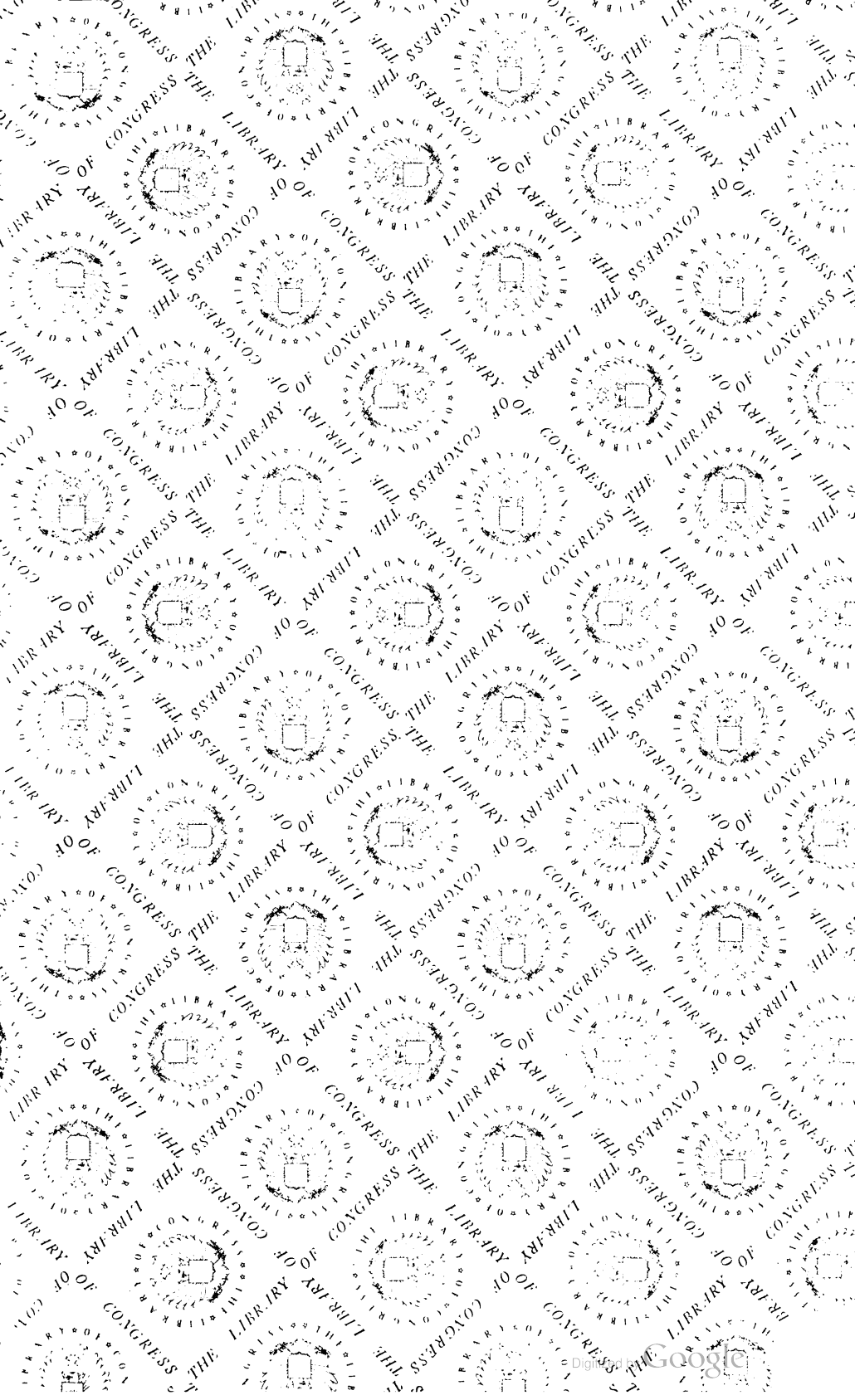


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# TRANSFER OF THE COAST GUARD TO THE NAVY

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## HEARINGS

BEFORE THE

*U. S. Congress House*

COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE  
OF THE HOUSE OF REPRESENTATIVES

SIXTY-SIXTH CONGRESS

SECOND SESSION

ON

### H. R. 5516

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MAY 27-28, 1920

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PART 1



WASHINGTON  
GOVERNMENT PRINTING OFFICE

1920

186675



COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE.

HOUSE OF REPRESENTATIVES.

SIXTY-SIXTH CONGRESS.

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## TRANSFER OF THE COAST GUARD TO THE NAVY.

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COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,  
HOUSE OF REPRESENTATIVES,  
*Thursday, May 27, 1920.*

The committee met at 10.30 o'clock a. m., Hon. John J. Esch (chairman) presiding.

The CHAIRMAN. The committee has before it H. R. 5516, introduced by Mr. Campbell of Pennsylvania, being a bill to permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department. Mr. Campbell, who is your first witness?

### STATEMENT OF HON. GUY E. CAMPBELL, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF PENNSYLVANIA.

Mr. CAMPBELL. Mr. Chairman and gentlemen of the committee, I would like to make a preliminary statement which I have prepared.

I have requested this hearing in order that I might lay before the committee the project of transferring the United States Coast Guard from the Treasury Department to the Navy Department. I have made a thorough study of this question, and as a result of my study and investigation I have become thoroughly convinced that its accomplishment in accordance with the bill which I have introduced (H. R. 5516) will accomplish a material economy in governmental expenditures and at the same time increase the efficiency of operation of the duties which are now performed by the Coast Guard as a separate organization under the Treasury Department. I will endeavor to show through the testimony of the witnesses who will appear at this hearing that this economy is real and that the efficiency will follow the enactment of this legislation. I have secured information from practically every officer in the Coast Guard and a very large number of the enlisted personnel, and I find that the sentiment of these people is overwhelmingly in favor of this transfer in accordance with my bill. I have obtained statistics as to operating expenses of the various units of the Coast Guard and find that by the elimination of certain duplications which exist in the organization of the Coast Guard, as compared with the organization of the Navy, the immediate saving to the Government will approximate a million dollars a year.

In this estimate I am substantiated by the recommendation of the President's Commission on Efficiency and Economy, which made its report to the President in 1912, giving him the information that the saving would amount to the figure that I have mentioned. In addition to the economy which will result from the elimination of



duplications and overhead expenses there are certain other features of economy, such as the utilization of certain vessels of the Navy in Coast Guard work, making it unnecessary to make appropriations for the building of new vessels, and also as a result of purchasing various supplies through naval organization in large quantities rather than through the existing Coast Guard system in much smaller quantities. In regard to the efficiency features I wish to draw attention to the fact that by assuming the performance of Coast Guard duties there opens to the young naval officers an excellent field of training in seamanship and navigation, which is hardly possible for them if the Navy does not perform this duty on account the fact that the present naval duties do not require of the naval vessels the type of work which brings this training. It would also afford opportunity to young Coast Guard officers to acquire training that would be of value in the event of war and make available at the present time trained officers badly needed by the Navy, and would in no way impair the work now required of the Coast Guard under the Treasury Department—instead it would add to the efficiency of the work. Further, the transfer of these duties to the Navy Department will afford the shipping interests of the country a far greater protection than is possible under the present system, because of the fact that the Navy has available for this work a greater number of vessels eminently suitable for the purpose, better suited in fact that any vessel the Coast Guard now operates, and which can be operated with greater efficiency and with less expense, and also because of the larger number of these vessels available, more of them can be detailed to this work and our extensive coast line more efficiently covered for the purpose of rendering assistance to vessels in distress and otherwise in need of assistance from Government vessels generally. I will endeavor to show that in making this transfer of the Coast Guard from the Treasury to the Navy Department that the operation of the functions of the Treasury Department will be in no way impaired.

To bring forth these facts I have requested the attendance at this hearing of officers of both the Navy and the Coast Guard, who are qualified to give authentic testimony on the subject, and representatives of our maritime interests on both the Atlantic and Pacific coasts and the Great Lakes. Through the officers of the Navy I will endeavor to show that the work of the Coast Guard can be efficiently performed by the Naval Establishment and that the Naval Establishment is willing and ready to undertake this duty and that the vessels they will operate in the work can be operated at less expense than a similar number of like vessels can be operated by the Coast Guard independently of the Navy.

Through the officers of the Coast Guard I will endeavor to show that there is a duplication in the maintenance of the Coast Guard as a separate organization and that the Coast Guard is in fact a miniature Navy; that its officers and men are trained to naval duties as well as to the particular duties of the Coast Guard; that they are subject to the same discipline; that they receive the same pay and allowances and that with respect to the pay and allowances of the Coast Guard officers whom we propose to transfer by this measure there will be not one cent of added expense to the Government.



Through the gentlemen representing the maritime interests I will endeavor to show that the shipping interests of the country are thoroughly cognizant of the features of this measure and that they heartily indorse it and are anxious that this bill be enacted speedily into law.

Through certain letters and a list of commercial bodies who have favorably indorsed this bill I will endeavor to show that the project is very generally approved of throughout the country by many prominent organizations who are interested in the efficient performance by the Federal Government of the duties enumerated as Coast Guard duties and that these bodies are convinced that this project will accomplish the economy and efficiency which I claim for it.

The gentlemen I wish to call to give the committee intimate information on this subject are the honorable the Secretary of the Navy, Josephus Daniels; the honorable the Assistant Secretary of the Navy, Franklin D. Roosevelt; Admiral R. E. Coontz, Chief of Naval Operations; Admiral Thomas Washington, Chief of the Bureau of Navigation; Admiral Samuel McGowan, Paymaster General; Capt. H. E. Yarnell, Office Naval Operations; Capt. W. McDowell, Bureau of Navigation; Capt. O. W. Koester, Bureau of Steam Engineering; Senior Capt. J. C. Cantwell, United States Coast Guard; Capt. F. C. Billard, United States Coast Guard, aid to commodore commandant; Capt. H. G. Hamlet, personnel officer, United States Coast Guard; Capt. E. D. Jones, United States Coast Guard, Division of Communication; Capt. P. F. Roach, United States Coast Guard, Division of Recruiting; Capt. C. F. Howell, United States Coast Guard, commanding United States Coast Guard cutter *Earp*; Capt. C. S. Root, United States Coast Guard, engineer officer United States Coast Guard cutter *Earp*; Capt. A. F. Patterson, United States Coast Guard, New York Division; Capt. F. E. Baggar, United States Coast Guard; Capt. P. H. Harrison, United States Coast Guard, commanding east coast group Florida Coast Patrol; Boatswain Nils Sjoberg, secretary Warrant Officers' Association, United States Coast Guard.

To give testimony as to the recommendations of the President's Commission of Efficiency and Economy of 1912, I will call Dr. W. F. Willoughby, Washington, D. C.

To give testimony as to the opinion of the American shipping interests I have requested the attendance of Mr. W. L. Marvin, vice president and general manager, American Steamship Owners' Association. Mr. Marvin is authorized to express the opinion of the steamship interests of both the Atlantic and Pacific coasts, and of the Great Lakes.

I am in receipt of letters from former officials of the Treasury Department who in the past have had supervision of the Coast Guard and who have expressed themselves as of the opinion that this project will achieve the economy and efficiency claimed for it. On account of business reasons they are unable to attend the hearing. They have, however, authorized me to present their opinions as expressed in their letters. These gentlemen are Mr. R. O. Bailey, formerly Assistant Secretary of the Treasury; Mr. C. D. Norton, formerly Assistant Secretary of the Treasury; Mr. Beekman Winthrop, for-



merly Assistant Secretary of the Treasury and also formerly Assistant Secretary of the Navy.

ROBERT WINTHROP & Co.,  
New York, September 15, 1919.

MY DEAR MR. CAMPBELL: Please excuse my not replying before this to your letter of August 16, but I have been away on a vacation.

From my experience of two years as Assistant Secretary of the Treasury in charge of the Revenue Cutter Service and four years as Assistant Secretary of the Navy, I feel that it would be to the best interests of the Government to transfer the Coast Guard Service from the Treasury Department to the Navy Department. My only interest in such a transfer is to increase the efficiency of both services. I feel that the work which the Coast Guard does in times of peace could be much more effectively performed if the organization was under the direction of the Navy Department. The prevention of customs frauds—originally one of the most important reasons for the establishment of the Coast Guard—has now become but an insignificant part of its duties. Assistance to ships in distress, destruction of derelicts, and the patrolling of coast and protection of our interests in the smaller nations to the south of us in times of insurrection, could, in my opinion, be better and more economically performed if the service was transferred to the Navy Department. In times of war there is no question. The service at such times is immediately transferred to the Navy Department and unquestionably the duties then performed by the Coast Guard Service could be more expeditiously carried out if it was at all times a part of the Navy and did not have to be amalgamated in times of confusion and stress incident to a war.

I am afraid that I can not give any advice with regard to the details of the amalgamation. Before doing so I should desire to hear from both Navy and Coast Guard officials.

Trusting that you will be successful in securing the amalgamation, and with kindest regards, believe me,

Very sincerely, yours,

BECKMAN WINTHROP.

HON. GUY E. CAMPBELL,  
*House of Representatives, Washington, D. C.*

---

THE S. S. WHITE DENTAL MANUFACTURING Co.,  
*Philadelphia, Pa., September 3, 1919.*

MR. GUY E. CAMPBELL,  
*House of Representatives, Washington, D. C.*

MY DEAR MR. CAMPBELL: Accept my thanks for your letter of August 16, inclosing copy of H. R. 5516, which you have introduced in the House, providing for the permanent transfer of the Coast Guard Service from the Treasury Department to the Navy Department.

I am inclosing copy of my letter of July 22 to Capt. F. S. Van Boskerck (134 South Second Street, Philadelphia), which will give you some of the impressions that I obtained as an Assistant Secretary of the Treasury.

Appreciating your courtesy, I remain,

Very truly, yours.

R. O. BAILEY,  
*Commercial manager.*

JULY 22, 1919.

Capt. F. S. VAN BOSKERCK,  
*134 South Second Street, Philadelphia, Pa.*

DEAR CAPTAIN: Our recent discussion and your letter of July 17 on the subject of the proposed Congressional action to cover the Coast Guard Service into the Navy make it possible for me to set down some of the impressions I obtained as an Assistant Secretary of the Treasury, when the then Revenue-Cutter Service was one of the bureaus within my jurisdiction.

At that time the preliminary work was done toward the later consolidation of the Life-Saving Service with the Revenue-Cutter Service, when the name Coast Guard was adopted. This was a business economy and has resulted in increased efficiency.



To the business mind, perhaps the most satisfactory home lesson of the war was the actual necessity for the Government to recognize the need for merging all separate units of like endeavor into single administrative control. This was done as to many lines of industry with marked success and brought results that otherwise would not have been possible.

If this lesson is applied to the Navy and the Coast Guard, it would mean a consolidation of all of the permanent floating activities of the Government. Better administration as well as many economies would result. Two schools for the education of officers would not be necessary; the administrative and yard expense of ship construction and repair would be consolidated, while economies in daily operation would be many.

With the Navy Department in control of the wireless, efficiency in emergent service would be important to life and property. The mentioned objection that the Coast Guard is needed in customs administration might be answered by the fact that a commissioned officer of the Government would execute the order in either case and that at present in the Treasury the customs administration is separate from the Coast Guard administration.

With no motive except for efficiency in government, I favor the consolidation, as I did as Assistant Secretary.

Very truly, yours,

R. O. BAILEY,  
*Commercial Manager.*

FIRST SECURITY CO.,  
New York, N. Y., November 7, 1919.

Hon. GUY E. CAMPBELL,  
*House of Representatives, Washington, D. C.*

MY DEAR MR. CAMPBELL: During my services as Assistant Secretary of the Treasury I had occasion to come into personal contact with the operations of the Revenue Cutter Service, now the Coast Guard Service. I was convinced at that time and still am convinced that the interests of the Government would be best served by the transfer of that service from the Treasury Department to the Navy Department in the interest of economy and efficiency. In my opinion, the numerous independent fleets for which Congress now makes separate financial provisions could be consolidated and handled by one department with decided gains both in economy and efficiency.

Faithfully, yours,

CHARLES D. NORTON, *President.*

ORGANIZATIONS INTERESTING H. R. 5516.

Philadelphia Chamber of Commerce.  
Philadelphia Board of Trade.  
Philadelphia Maritime Exchange.  
The Pilots' Association Bay and River Delaware.  
Chamber of Commerce, Atlantic City.  
Merchants' and Manufacturers' Association, Baltimore, Md.  
Savannah Pilots' Association.  
Chamber of Commerce of Houston, Tex.  
Chamber of Commerce of Milwaukee, Wis.  
Chamber of Commerce of Detroit, Mich.  
Chamber of Commerce of Ashtabula, Ohio.  
Chamber of Commerce of Seattle, Wash.  
Chamber of Commerce of Portland, Oreg.  
Chamber of Commerce of Coos Bay, Oreg.  
Chamber of Commerce of San Francisco, Calif.  
Chamber of Commerce of Los Angeles, Calif.  
Chamber of Commerce of San Pedro, Calif.  
The American Steamship Owners' Association, New York, N. Y.  
The Lake Carriers' Association, Detroit, Mich.  
Pacific Coast Steamship Owners' Association.  
Federal Employees Union No. 1, San Francisco, Calif.  
The Merritt & Chapman Derrick and Wrecking Co., New York, N. Y.  
International Ship-Masters' Association, Great Lakes, Chicago, Ill.



Great Lakes Dredge and Dock Co., Chicago, Ill.  
 O. W. Blodgett, Lake Transportation and Insurance, Bay City, Mich.  
 Joseph M. Clark & Bro., steam water boats, Norfolk, Va.  
 Pendleton Bros. (Inc.), ship brokers and commission merchants, New York,  
 N. Y.  
 Diamond Crystal Salt Co., shippers, domestic and foreign, St. Clair, Mich.

DETROIT, MICH., May 26, 1920.

EDWIN H. DUFF,  
 Washington, D. C.

There will be hearing on transfer bill, object of which is to transfer Coast Guard to Navy. Meeting will be held Thursday, 27th, 10.30 a. m., Room 226, House Office Building. We are in favor of Coast Guard being transferred to Navy. Kindly advise me after hearing.

WILLIAM LIVINGSTONE, President.  
 Lake Carriers' Association.

On account of certain legislation effecting military services which has become effective since the date of my introduction of this bill, it has been necessary to change the wording of certain sections, and I would like to substitute a corrected copy of the bill in place of the original draft. These changes are not material as to general effect of the bill but are confined to details and slight changes in wording. The main addition to the bill pertains to the point of charging salvage for vessels who are aided by Government vessels. Under the present laws governing the operations of the Coast Guard, there is no charge made against the vessels assisted except for the small items of fuel and provisions expended by the Government vessel rendering this assistance. I wish to make it specific in the bill that this ruling shall still hold if this transfer of duties is effected. This change will appear as a proviso at the end of section 1. I will submit the correct copy to the clerk.

[H. R. 5516, Sixty-sixth Congress, first session.]

A BILL To permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department.

*Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled,* That on and after the passage of this act the United States Coast Guard, created by the act of Congress approved January 28, 1915, entitled "An act to create the Coast Guard by combining therein the existing Life-Saving Service and Revenue-Cutter Service," shall cease to exist as a separate and distinct organization: *Provided,* That the personnel and material of the Coast Guard shall become permanently a part of the United States Navy: *Provided further,* That the duties heretofore performed by the Coast Guard shall hereafter be performed by the Navy under regulations prescribed by the Secretary of the Navy after agreement with the heads of other executive departments concerned: *Provided,* That in the performance of the duties hitherto imposed upon the Coast Guard involving assistance rendered to vessels in distress and the removal or destruction of derelicts or other dangers to navigation the Navy will perform these duties under the same conditions as regards charges for services rendered and for claims for salvage against such vessels, their owners, agents, or assigns as have governed similar operations by the Coast Guard while under the jurisdiction of the Treasury Department.

SEC. 2. That the captain commandant and the engineer in chief of the Coast Guard shall, on the date of the passage of this act, become a part of the personnel of the Navy, and shall be commissioned as captains on the active list of line officers of the regular permanent Navy, and shall take precedence in that rank or grade in accordance with length of total service: *Provided,* That when in the opinion of the Secretary of the Navy the permanent transfer of the



Coast Guard to the Navy has been perfected, the offices of captain commandant and engineer in chief shall cease to exist: *Provided further*, That no further appointments shall be made to the Coast Guard.

SEC. 3. That the commissioned officers of the Coast Guard on the active list shall hereby become a part of the commissioned personnel of the Navy and shall be commissioned in the ranks or grades on the active list of line officers of the regular permanent Navy, as follows: Senior captains as captains; all other commissioned officers of the Coast Guard, except those who are specifically provided for elsewhere herein, shall be commissioned in such ranks or grades, not above that of commander, as have been attained, on the date of the passage of this act, by line officers of the regular permanent Navy of the same length of total service: *Provided*, That one constructor shall be commissioned as a lieutenant commander, construction corps: *Provided further*, That the officers commissioned in the Navy by this act shall take precedence with other officers in the various ranks or grades of the Navy in accordance with the length of total service: *And provided further*, That with respect to officers who are transferred to the Navy in the ranks or grades of lieutenant commander and below, nothing in this act shall operate to disturb the relative position of the officer so transferred with reference to precedence, but all such officers shall be transferred ahead of officers of the Coast Guard who were their juniors on the date of the passage of this act.

SEC. 4. That there is hereby created in the Navy the office of district superintendent, and the present district superintendents of the Coast Guard shall hereby become a part of the personnel of the Navy and such district superintendents, including those retired, shall be commissioned district superintendents as follows: The senior district superintendent with the rank or grade of commander; all other district superintendents with such ranks or grades, not above that of lieutenant commander, as have been attained, on the date of the passage of this act, by line officers of the regular permanent Navy of the same length of total service: *Provided*, That district superintendents shall perform such duties, consistent with their experience, as may be assigned them under regulations prescribed by the Secretary of the Navy: *Provided further*, That district superintendents shall be promoted in accordance with existing law governing the promotion of staff officers of the Navy: *And provided further*, That the office of district superintendent shall remain in existence during the tenure of office, in accordance with existing law, of the present district superintendents, but thereafter shall cease to exist, and after the present district superintendents have been transferred to and commissioned district superintendents in the Navy, no further appointments shall be made to said office.

SEC. 5. That the civil engineer, field assistants (construction and repair), supervisors of telephone lines, and assistant supervisors of telephone lines, shall hereby become a part of the personnel of the Navy, and shall be commissioned or warranted in ranks or grades on the active list of the regular permanent Navy as follows: The civil engineer as a lieutenant, civil engineer corps; field assistants (construction and repair) as lieutenants, junior grade, civil engineer corps; supervisors of telephone lines as chief gunner, electrical; assistant supervisors of telephone lines as gunners, electrical: *Provided*, That those civil employees of the Coast Guard designated as repair men of motor boats shall hereby become a part of the personnel of the Navy and shall be warranted in the rank or grade of machinist: *Provided further*, That all persons transferred to the Navy under the provisions of this section shall take precedence with permanent officers of the Navy, in their various ranks or grades, in accordance with the length of total service.

SEC. 6. That the civilian instructors of the Coast Guard shall be appointed professors, associate professors, or assistant professor in their various specialties for duty at the United States Naval Academy, or at such other place as may be determined by the Secretary of the Navy, and shall be graded among the present staff of the United States Naval Academy in accordance with length of total service.

SEC. 7. That the present civilian officials assigned to duty as chiefs of divisions in the office of the captain commandant of the Coast Guard shall hereby become a part of the civil establishment of the Navy and shall be assigned to such duty under the Navy Department consistent with their experience and ability as shall be determined by the Secretary of the Navy.

SEC. 8. That cadets, cadet engineers, warrant officers, chief petty officers, petty officers, and enlisted men of the Coast Guard shall hereby become a part of the personnel of the Navy and shall be transferred to ranks, grades, or



ratings in the Navy as follows: Cadets and cadet engineers as midshipmen; senior fourteen boatswains as chief warrant officers; senior forty-five boatswains who are especially qualified for duty at life-saving stations as chief boatswains, life saving; remaining boatswains, who are especially qualified for duty at life-saving stations, as boatswains, life saving; acting boatswains who are especially qualified for duty at life-saving stations, as acting boatswains, life saving (the special designation "life saving" being hereby authorized to indicate their specialty); boatswains as boatswains; gunners as gunners; machinists as machinists; carpenters as carpenters; sailmakers as sailmakers; acting warrant officers as acting warrant officers; chief petty officers and other enlisted persons shall be transferred to the same ratings in the Navy that they hold in the Coast Guard on the date of the passage of this act: *Provided*, That the rating of surfman is hereby created in the Navy: *Provided further*, That the base pay of surfman shall be \$70 per month: *And provided further*, That the officers, including cadets, appointed or warranted in the Navy by this act, shall take precedence with other officers in various ranks or grades of the Navy in accordance with length of total service.

SEC. 9. That all civil-service employees of the Coast Guard not otherwise provided for in this act may be employed in the Treasury Department or the Navy Department in such employment consistent with their experience and ability as may be agreed upon by the Secretary of the Treasury or the Secretary of the Navy.

SEC. 10. That all persons who are transferred from the Coast Guard to the Navy by this act shall immediately upon the passage of this act become subject to the laws and regulations in regard to promotion that are now or may be applicable hereafter in the Navy, and shall be entitled to the pay and allowances that pertain to their respective ranks, grades, or ratings, and to the benefits provided by law relative to retirement in the Navy: *Provided*, That the officers commissioned in the Navy by this act who are over forty years of age on the date of the passage of this act shall not be ineligible for promotion by selection by reason of age, for a period of five years next succeeding such transfer: *Provided further*, That all persons so transferred shall be subject to the articles for the Government of the Navy and such regulations, instructions, and general orders as may be issued to the Navy: *And provided further*, That enlisted men who are transferred to the Navy by this act shall be entitled thereafter as heretofore to the benefits of the act of January 28, 1915, in so far as that act relates to the retirement of enlisted men, and if on physical examination any such enlisted man is found to be physically incapacitated for duty or for reenlistment and the incapacity is due to injury received or disease contracted in line of duty, and not to his own misconduct, he shall be placed on the retired list of the Navy with three-quarters of his highest active duty pay.

SEC. 11. That all persons on the retired list of the Coast Guard shall hereby become a part of the retired list of the Navy and shall be transferred thereto in the ranks, grades, ratings, or offices they hold on the date of the passage of this act, and shall receive the pay and allowances prescribed by existing law for the same ranks, grades, ratings, or offices of the Navy on the retired list, except as otherwise provided by this act: *Provided*, That any officer on the retired list of the Coast Guard who failed in his physical examination for promotion and was found incapacitated for service by reason of physical disability contracted in the line of duty shall be promoted on the retired list to the rank or grade to which his seniority entitled him to be promoted: *Provided further*, That any officer on the retired list of the Coast Guard who has served creditably on active duty for forty years or more shall, on the date of the passage of this act, be promoted on the retired list to the rank or grade to which his total length of active service would have entitled him under the provisions of this act had he been on active duty on the date of the passage of this act: *And provided further*, That any future legislation affecting retired persons of the Navy shall be held to apply equally to persons of corresponding ranks or grades who are transferred to the Navy by this act.

SEC. 12. That each enlisted man of the Coast Guard who is transferred to the Navy by this act shall serve in the Navy under the terms of his Coast Guard enlistment contract until such contract expires. When any such enlisted man is discharged and receives an honorable discharge or ordinary discharge with recommendation for reenlistment he shall be given an opportunity to reenlist in the Navy under the regulations governing reenlistment in the Navy: *Provided*, That if any such man, a citizen of the United States, has to his credit less than four years continuous service in the Coast Guard next prior to



his discharge on completion of four years' continuous service in the Coast Guard and the Navy he shall become entitled to the benefits provided in article 4427, Navy Regulations.

SEC. 13. That in computing the total service of any person transferred from the Coast Guard to the Navy under the foregoing provisions for any purpose all previous creditable service in the Army, Navy, Marine Corps, Revenue-Cutter Service, Life-Saving Service, and Coast Guard shall be included: *Provided*, That in computing the continuous service of any enlisted man so transferred all continuous service in the Army, Navy, Marine Corps, Life-Saving Service, Revenue-Cutter Service, and Coast Guard, as computed under the provisions of the act of January 28, 1915, shall be held to be the same as if such continuous service had been in the Navy: *Provided further*, That every period of four years of such continuous service shall be held as equivalent to one enlistment in the Navy.

SEC. 14. That all unexpended Coast Guard appropriations and funds are hereby transferred and made available for similar purposes under the Navy Department.

SEC. 15. That all laws or parts of laws inconsistent with the provisions of this act are hereby repealed: *Provided*, That nothing in this act shall operate to reduce the rank, grade, rating, pay, or allowances of any person now in or employed by the Coast Guard who is transferred to the Navy by this act.

I would like now to call Mr. Marvin.

**STATEMENT OF MR. WINTHROP L. MARVIN, VICE PRESIDENT AND  
GENERAL MANAGER AMERICAN STEAMSHIP OWNERS' ASSOCIATION,  
NEW YORK CITY.**

The CHAIRMAN. Mr. Marvin, please state your name, address, and whom you represent.

Mr. MARVIN. My name is Winthrop L. Marvin; I am vice president and general manager of the American Steamship Owners' Association, of New York; I am also speaking by request for the Pacific-American Steamship Association, of San Francisco, and my friend and colleague, who is not here now, but may come later, Mr. Duff, attorney of the American Steamship Owners' Association, is directly empowered to speak on behalf of this bill for the Lake Carriers' Association, an organization of large shipowners on the Great Lakes. The American Steamship Owners' Association includes in its membership virtually all of the American companies operating American flag tonnage in the coastwise and overseas trade of the United States on the Atlantic and the Gulf. The Pacific-American Steamship Association, with a membership similar to our own, represents the American owners of coastwise and overseas tonnage on the Pacific coast. We are speaking for practically the entire seagoing merchant marine of the United States which now includes, as you know, about 15,000,000 gross tons.

Since the opening of the Great War, the tonnage of American ships plying in the areas covered by the Coast Guard Service and depending on the Coast Guard for protection in case of disaster has grown from 3,000,000 or 4,000,000 to upward of 10,000,000 gross tons of distinct seagoing shipping. Our need, therefore, of the services of the Coast Guard in the rescue of property and in the saving of life has more than doubled. At the same time, the resources in the control of the Coast Guard for this essential work have shrunk through the loss of cutters at sea, the difficulty of securing crews on account of inadequate wages, and the resignation and withdrawal from the service of many highly competent officers and



men. American shipping plying coastwise and overseas throughout the last winter was in imminent peril because of the enforced reduction in the number of cutters afloat and, therefore, in the power of the Coast Guard to protect and save shipping in distress. The last winter witnessed some very lamentable instances of complete loss of ships and of losses of entire crews. The coming winter is viewed with great concern by American shipowners because of their knowledge of this impairment in the resources of the Coast Guard and in this reduction in its power to extend immediate relief to ships in distress off our shores, and particularly on the stormy routes between our North Atlantic coast and South Atlantic coast and the ports of Europe.

As you are well aware, and as the whole country is well aware, a certain proportion of the new merchant fleet, hastily built in emergency fashion at Government expense during the Great War, is not up to the traditional efficiency of American-built shipping. The fleet, as a whole, is a good one. As a whole, our shipbuilders made splendid use of their opportunities. Many of our rapidly built ships, I am glad to be able to say, are giving a good account of themselves, but an unusually large proportion of tonnage under the American flag at the present time is somewhat deficient either in construction of hull or in construction of machinery, and in all human probability the approaching autumn and winter will witness a larger demand upon the life-saving resources of our Coast Guard than ever before. There is an abnormal number of breakdowns of machinery and a somewhat increased number of instances of deficient hulls, putting vessels in distress and calling for immediate assistance.

The shipowners of this country very earnestly and unitedly favor the bill of Mr. Campbell transferring the Coast Guard permanently to the Navy Department, because they not only believe but know that that would insure to a very much greater degree than is possible in any other way the safety of between 100,000 and 200,000 seagoing officers and men of our merchant service, who are at sea, exposed to the elements, to the autumn and winter tempests in the region in which our Coast Guard operates on the Atlantic and Pacific Oceans.

We know the Navy. Whatever controversy may be raging, we know perfectly well, we men of the seacoast, that the Navy is a highly efficient service. Moreover, the Navy, because of the Great War, has now behind it an immensely increased resource in ships of all kinds, in the number of its officers, and in the number of its men; its peace personnel now standing at upward of 100,000. So that the Navy Department, with the expert assistance of the officers and men of the Coast Guard, trained in their service, could give the completest possible assurance of safety to our greatly enlarged mercantile marine. Among the resources of the Navy at the present time are a large number of so-called mine sweepers that are in effect great and powerful ocean towboats, with heavy engines and towing gear and heavy derricks of the utmost value in the salvaging of property at sea. We assume that if this amalgamation which we so earnestly desire is brought about, a certain proportion of these new mine sweepers of the Navy, for which there may be no other use at the present time, will be put by the Secretary of the Navy at the disposal of the Coast Guard division of the Navy for the protection of our 1,500 merchant ships.



In urging, as we do, the amalgamation of the Coast Guard with the Navy, we ask that this change be brought about immediately; that this bill be favorably reported by your committee and considered promptly by the House of Representatives. We shall be glad to advocate immediate action upon it before the Committee on Commerce of the Senate. We desire to have this bill a law, if possible, before the month of June has ended. It is necessary because the Coast Guard is needed by the Navy now. It is needed by the Navy to prepare for the stormy season that will be upon us again before we know it. Our period of peril on the North Atlantic begins with the West Indian hurricanes that set in in the month of September. So I would endeavor to impress upon you, Mr. Chairman, and your colleagues of the committee that this is an emergency matter that can not be postponed.

In urging the amalgamation of the Coast Guard with the Navy for the protection of the merchant marine of the United States, we are urging it also in the very sincere conviction that it means economy to the Government of the United States, as well as increased efficiency to the Navy and the Coast Guard both. We look at it from the standpoint of business men. We do not believe in the maintenance side by side of a great Navy and a little Navy any more than we would believe in the maintenance side by side of a large and efficient steamship organization and close beside it, doing very much the same duplicate work, a little bit of a steamship company with smaller resources and smaller revenues. What the business man would do in such a case and what we ask Congress to do in this case is to unite the small Navy with the great Navy in the interest of increased efficiency and in the interest of the saving of life and property, and also in the direction of economy for the Government.

It can not be otherwise but that a very great saving to the Treasury of the United States will eventually be achieved by the union of these two services and the elimination of certain smaller activities of the Coast Guard that could be transferred to the Navy without any increased cost whatsoever. The Coast Guard at the present time is maintaining an academy for the training of its officers and a school for the training of its enlisted men. It also has repair facilities to handle the ships and has various offices scattered all over the country that could immediately be united with the larger and, of course, the more efficient resources of the Navy. The Coast Guard at the present time is experiencing the greatest difficulty in securing men. It will continue to experience that difficulty even with the higher range of wages provided in legislation recently enacted. Under this amalgamation the recruiting service of the Navy, which is a large and highly efficient machine, could be drawn upon without a dollar of increased expense to the Government for the enlistment of men for the Coast Guard.

So far as the officers in the Coast Guard are concerned, they are, and for years have been, selected with as much care as the young men who go into the National Naval Academy at Annapolis. They have to pass examinations, physical and mental. They have to pass through an exceedingly difficult course which, as I understand it, is practically the Annapolis course of four years crowded into three years. They graduate with an equipment certainly not inferior to



that of the Annapolis graduates. They go immediately to sea; and, because of the character of the Coast Guard Service and the relatively small ships which it employs, they enter at once upon the exacting duties of watch officer in charge of a watch at sea—on deck or in the engine room. That means, if anything, that year by year the younger Coast Guard officers acquire more professional experience, or perhaps I should say more practical seagoing experience, than officers of a similar length of service in the Navy who enter into subordinate positions on the great ships that make up the bulk of our naval fleet.

In time of war, as you know, for many years the Coast Guard has been transferred automatically to the Navy at the outbreak of hostilities. There has always been some loss of motion, so to speak, because that transfer had to be effected. The place of the Coast Guard—its natural place—is in the Navy, so that in case of war it can be immediately available at 100 per cent of its efficiency. I know many of the officers of the Coast Guard. Ever since my boyhood on the New England seaboard I have been acquainted with them; I know their work; I know their character; and I know the high efficiency that has always characterized them. They are absolutely worthy, Mr. Chairman, to enter at once into the naval service. If there is any difficulty about finding just the right place for the senior officers of the Coast Guard, for the captains who have given a great many years to the service of their country, ample and generous provision should be made for them. That is the especial request of the shipowners of the United States—that the senior officers of the Coast Guard be provided for in the most liberal manner possible.

The Coast Guard in its present organization is actually a fighting service, a naval service. You step aboard a Coast Guard cutter at any port of our coast and you step aboard what is virtually a man-of-war. The precision and order of a man-of-war characterize the Coast Guard in at least equal degree with the ships of the Navy, with which I am also familiar, and of whose condition I think I can speak. The officers and men of the Coast Guard are trained under naval discipline in the use of modern artillery. There is an anomaly that ought not to endure any longer in the continuance of what is a fighting service, and a highly efficient fighting service, under one of the civilian departments of the Government.

No difficulty, we believe, will be experienced if the Coast Guard is transferred to the Navy in securing for the enforcement of the laws of the Treasury Department and the regulations of the Treasury Department, and the laws and regulations of the Department of Commerce, such competent details of officers and men as may be required. It is in the interest of national economy, in the interest of national safety, and in the interest of good, practical, sound business sense, that the Coast Guard should be transferred bodily at the earliest possible moment to the Navy Department, of which it is naturally an integral part and of which a long time ago it should have been made an actual part.

That is all I have to say, Mr. Chairman. I would be glad to answer any questions from our standpoint that you or the members of the committee may desire to ask, and I would like to file, as a part of my remarks, a list of the members of the American Steam-



ship Owners' Association, showing how completely they represent the ports of both of our seaboard. I would like to file also a memorandum on the Coast Guard and the Navy recently prepared by the assistant manager of the foreign shipping department of the Standard Oil Co. of New Jersey, Mr. Robert F. Hand. The Standard Oil Co. of New Jersey, as perhaps you know, possesses one of the largest seagoing fleets under the American flag, and Mr. Hand speaks from direct knowledge and experience of the value of the service, and its enhanced value if transferred to the Navy Department.

## LIST OF MEMBERS OF THE AMERICAN STEAMSHIP OWNERS' ASSOCIATION.

- Alaska Steamship Co., Colman Building, Seattle, Wash.  
 American-Hawaiian Steamship Co., Maritime Building, 8 Bridge Street, New York, N. Y.  
 American Italian Commercial Corporation, 52 Broadway, New York, N. Y.  
 American Transportation Co. (James W. Elwell & Co.), 17 State Street, New York, N. Y.  
 Associated Oil Co., Sharon Building, San Francisco, Calif.  
 Atlantic Refining Co., 3144 Passyunk Avenue, Philadelphia, Pa.  
 Barber Steamship Lines (Inc.), 17 Battery Place, New York, N. Y.  
 Bliss, Dallett & Co. (Red "D" Line), 82 Wall Street, New York, N. Y.  
 A. H. Bull Steamship Co., 17 Battery Place, New York, N. Y.  
 Caribbean Steamship Co. (Ltd.), 8 Bridge Street, New York, N. Y.  
 Chile Steamship Co., 120 Broadway, New York, N. Y.  
 China Mail Steamship Co. (Ltd.), 416 Montgomery Street, San Francisco, Calif.  
 Clinchfield Navigation Co. (Inc.), 24 Broad Street, New York, N. Y.  
 Clyde Steamship Co., Pier 36, North River, New York, N. Y.  
 Coastwise Transportation Co., 40 Central Street, Boston, Mass.  
 Colonial Navigation Co., Pier 39, North River, New York, N. Y.  
 Crowell & Thurlow Steamship Co., 131 State Street, Boston, Mass.  
 Dollar Steamship Co., 230 California Street, San Francisco, Calif.  
 Eastern Steamship Lines (Inc.), India Wharf, Boston, Mass.  
 France & Canada Steamship Corporation, 120 Broadway, New York, N. Y.  
 Freeport Sulphur Transportation Co., 61 Broadway, New York, N. Y.  
 Garland Steamship Corporation, 511 Fifth Avenue, New York, N. Y.  
 Gaston, Williams & Wigmore Steamship Corporation (Globe Line), 39 Broadway, New York, N. Y.  
 W. R. Grace & Co. (Atlantic & Pacific Steamship Co.), 7 Hanover Square, New York, N. Y.  
 Green Star Steamship Corporation, 115 Broadway, New York, N. Y.  
 Gulf Refining Co., 21-24 State Street, New York, N. Y.  
 Gulf & Southern Steamship Co., Pier 44 North River, New York, N. Y.  
 Harriss, Magill & Co. (Inc.), 35 South William Street, New York, N. Y.  
 Hartford & New York Transportation Co., 283 State Street, Hartford, Conn.  
 Inter-Island Steam Navigation Co., 75 Queens Street, Honolulu, T. H.  
 International Mercantile Marine Co., 9 Broadway, New York, N. Y.  
 Luckenbach Steamship Co. (Inc.), 44 Whitehall Street, New York, N. Y.  
 Mallory Steamship Co., Pier 36, North River, New York, N. Y.  
 Maru Navigation Co., 5 State Street, New York, N. Y.  
 Matson Navigation Co., 120 Market Street, San Francisco, Calif.  
 Merchants & Miners' Transportation Co., Baltimore, Md.  
 Moore & McCormack Co. (Inc.), 5 Broadway, New York, N. Y.  
 Munson Steamship Line, 82 Beaver Street, New York, N. Y.  
 New England Fuel & Transportation Co., 111 Devonshire Street, Boston, Mass.  
 New England Steamship Co., Pier 14, North River, New York, N. Y.  
 New York & Cuba Mail Steamship Co., foot of Wall Street, New York, N. Y.  
 New York & Porto Rico Steamship Co., 11 Broadway, New York, N. Y.  
 Ocean Steamship Co. of Savannah, Pier 35, North River, New York, N. Y.  
 Oceanic Steamship Co., 2 Pine Street, San Francisco, Calif.  
 Old Dominion Steamship Co., Pier 25, North River, New York, N. Y.



Ore Steamship Corporation, 111 Broadway, New York, N. Y.  
 Oriental Navigation Co., 39 Broadway, New York, N. Y.  
 Pacific Mail Steamship Co., 508 California Street, San Francisco, Calif.  
 Pacific Steamship Co. (Admiral Line), Perkins Building, Tacoma, Wash.  
 Pan American Petroleum & Transport Co., 120 Broadway, New York, N. Y.  
 Peninsular & Occidental Steamship Co., Florida Life Building, Jacksonville, Fla.  
 Pocahontas Fuel Co. (Inc.), 1 Broadway, New York, N. Y.  
 San Francisco & Portland Steamship Lines, 722 Market Street, San Francisco, Calif.  
 Seaboard & Gulf Steamship Co., Pier 32, East River, New York, N. Y.  
 Shawmut Steamship Co., 48 Front Street, New York, N. Y.  
 R. Lawrence Smith (Inc.), Room 2029, 17 Battery Place, New York, N. Y.  
 Southern Pacific Co., Pier 49, North River, New York, N. Y.  
 Southern Steamship Co., 321 Commercial Trust Building, Philadelphia, Pa.  
 C. H. Sprague & Son, 141 Milk Street, Boston, Mass.  
 Standard Oil Co. of New Jersey, 26 Broadway, New York, N. Y.  
 Standard Oil Co. of New York, 26 Broadway, New York, N. Y.  
 States Marine & Commercial Co. (Inc.), 17 Battery Place, New York, N. Y.  
 Strachan Shipping Co., Brunswick, Ga.  
 Sun Co., 1428 South Penn Square, Philadelphia, Pa.  
 Susquehanna Steamship Co. (Inc.), 2 Stone Street, New York, N. Y.  
 Swayne & Hoyt (Arrow Line), 430 Sansome Street, San Francisco, Calif.  
 Texas Steamship Co., 17 Battery Place, New York, N. Y.  
 Union Oil Co. of California, Union Oil Building, Los Angeles, Calif.  
 Union Sulphur Co., 17 Battery Place, New York, N. Y.  
 United Fruit Co., 131 State Street, Boston 9, Mass.  
 United States Steel Products Co., 30 Church Street, New York, N. Y.  
 Vacuum Oil Co., 61 Broadway, New York, N. Y.  
 Warren Transportation Co., 35 Congress Street, Boston 9, Mass.

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AMERICAN STEAMSHIP OWNERS' ASSOCIATION,  
*New York, N. Y., May 24, 1920.*

DEAR SIR: The association has received from Mr. Robert F. Hand, assistant manager, Foreign Shipping Department, Standard Oil Co. of New Jersey, a statement in behalf of the Coast Guard bill now before Congress. This statement, a copy of which is appended, is heartily approved by the association, which hopes that you will see your way clear to give the bill your support.

Sincerely yours,

WINTHROP L. MARTIN,  
*Vice President and General Manager.*

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UNITED STATES COAST GUARD.

A bill now before Congress (H. R. 11230), introduced by Representative Guy E. Campbell, of Pennsylvania, provides for the permanent transfer of the Coast Guard from the Treasury Department to the Navy Department.

Your support of this bill, and of any other proposed legislation which will quickly bring about an improvement in the Coast Guard, is earnestly solicited.

The pay bill giving the Coast Guard personnel equal pay to the Navy has just passed Congress.

There are many strong reasons why the Campbell bill should be supported. It provides a means for increasing the Coast Guard, in equipment and efficiency, proportionately to the increase of our new merchant marine.

The Coast Guard is a military service operating under the Treasury Department, and this fact has led to conditions which have hampered it in its duties. While the Navy has been able to obtain large appropriations for its operations, the Coast Guard has never been able to secure from Congress adequate appropriations to carry on its humanitarian duties.

At one time, when the services were first established, the Navy and Coast Guard were almost a unit; gradually the two services drifted apart. Events growing out of the Great War served to bring them again into close and cordial relations. It is generally believed in the Coast Guard that the Navy desires



the transfer provided for by the Campbell bill. The bill also has the approval of the Secretary of the Navy.

One important improvement that would follow at once the union of the Coast Guard with the Navy would be an increase in the Coast Guard fleet, which is sorely needed. The Coast Guard now has 20 cruising vessels, but they have an average age of 19 years and an average speed of only 12 knots. Twelve of these vessels are over 20 years of age, while the *Bear* was built in 1874. Five of these vessels are laid up, a portion for lack of money to make repairs, and others for lack of sufficient complements to operate them; all this in the face of the great property values saved annually by the Coast Guard, amounting to many times the cost of operation, to say nothing of the lives of individuals saved through the efforts of this service.

During the war, the *McCulloch*, *Mohawk*, and *Tampa* were lost. All were first-class vessels, among the most efficient in operation.

Contracts have been let, but the work has only just been started, to construct four first-class cruising cutters of 250 feet in length having a speed of 18 knots. These will be by far the most efficient vessels constructed for the Coast Guard, but it will require a year or more to build these vessels and get them into operation.

The Navy has many vessels which would make excellent Coast Guard cutters for routine work along the coast. The cost of operating vessels in this duty would be insignificant to the Navy compared with the cost of operating its fleet.

While it is true that the Navy has not sufficient men to man its battleships, yet it has far more men than necessary properly trained to man the requisite number of cutters to carry on Coast Guard work in conjunction with the present able personnel of the Coast Guard.

One important fact regarding the Coast Guard should not be lost sight of; it is the chief salvage agency of the merchant marine. In this work the Navy could aid by the use of destroyers to proceed to vessels in distress when several hundred miles off the coast, especially in the case of those in danger of foundering.

There have been numerous occasions during the past year where Shipping Board steamers, as well as privately owned vessels, have been towed into port by privately owned boats, resulting in heavy claims for salvage. If the Coast Guard had sufficient and properly equipped vessels efficiently to perform its work, this salvage would in many cases have been saved the Shipping Board and the other owners.

ROBERT F. HAND,  
*Assistant Manager, Foreign Shipping Department,  
Standard Oil Co. of New Jersey.*

Mr. SANDERS of Indiana. I was just wondering if you had given consideration to the question, in the event of the transfer of jurisdiction from the Treasury Department to the Navy Department, of matters which are distinctively within the jurisdiction of the Treasury Department?

Mr. MARVIN. Those matters of mutual interest, it seems to us, could be adequately and promptly covered by regulations prepared cooperatively by the two departments.

Mr. SANDERS of Indiana. Suppose that the Treasury Department desired the Coast Guard to perform a certain function which heretofore the Coast Guard has performed?

Mr. MARVIN. Yes, sir.

Mr. SANDERS of Indiana. Would the Treasury Department have to request the Navy Department to issue the order, or would the jurisdiction be left with the Treasury Department to issue an order to the Coast Guard, which was a part of the Navy Department?

Mr. MARVIN. Under such circumstances as that, if it were a routine matter, the service could be covered by regular and standing regulations duly prepared between the two departments. If it were an unusual and emergency matter, the request could be made from the Treasury Department to the Navy Department, just as we know



from time to time the requests of the State Department for the presence here and there of cruisers or transports with battalions of marines or destroyers are always honored by the Navy Department.

Mr. SANDERS of Indiana. What is the chief work now performed by the Coast Guard for the Treasury Department?

Mr. MARVIN. The chief work now being performed for the department is the officering and manning of the customs boats at the various ports of arrival and departure. Those are, as a rule, small craft. They could be officered and manned just as well under the arrangement proposed as under the arrangement now existing by any necessary detail of officers and men from the Navy.

Mr. SANDERS of Indiana. Is the Coast Guard used in connection with the prohibition act?

Mr. MARVIN. I think it is; I think some small vessels are being used for that purpose. That is a matter with which I am not very familiar.

Mr. SANDERS of Indiana. Have you studied the details of the bill?

Mr. MARVIN. Yes; I have studied the details of the bill.

Mr. SANDERS of Indiana. Does this bill take care of the situation so as to iron out any difficulties that would exist?

Mr. MARVIN. I can not answer positively whether the various sections of the bill do, but I regard that as a matter of detail which can be arranged readily and that any required service can be performed just as well if the men wear the uniform of the Navy as if they wear the uniform of the Coast Guard.

Mr. SANDERS of Indiana. The uniform has nothing to do with it.

Mr. MARVIN. As I said a moment ago, any required detail of officers or men for either the Treasury Department or the Department of Commerce could readily be arranged for with the Navy Department. There would be no difficulty, I think, about the performance of any of those duties. I think all of those minor duties of the Coast Guard would be performed just as efficiently as they are now, and there would be a great gain in national efficiency and economy by transferring the several hundred officers and the normal strength of five or six thousand seamen of the Coast Guard to the Navy for the strengthening of the Navy and for the more satisfactory performance at this time of that most important work of the Coast Guard, the saving of life and property along our coasts and at sea.

Mr. MONTAGUE. The Coast Guard went under the jurisdiction of the Navy Department at the outbreak of this war?

Mr. MARVIN. Yes, sir.

Mr. MONTAGUE. I mention that in view of the suggestion of Judge Sanders as to the bringing about of coordination so far as concerns distinctively Treasury Department work.

Mr. MARVIN. Yes, sir.

Mr. MONTAGUE. Was the experience at that time satisfactory or unsatisfactory?

Mr. MARVIN. So far as the Coast Guard is concerned, why, I think that both the Coast Guard and the Navy were satisfied with the main results of the transfer, but the transfer was marred by some loss of time and some difficulty and some complexities in the actual fitting of the officers and men of the Coast Guard into their new duties in the fleet. Of course, we had no emergency confronting the Navy at



the outbreak of the war, but if we were to go into another war where our Navy constituted the first line of defense, the loss of time and the various complexities from the transfer would be a very serious matter, in my judgment. I believe that the Coast Guard should be in the Navy, that its officers and men should be there, ready for important work at the outbreak of hostilities. I know that the matter of relative rank caused some confusion and much misunderstanding, because veteran officers of the Coast Guard who had had many years at sea as commanders or watch officers of cruising vessels found themselves in some instances, if not in many instances, temporarily at any rate, outranked by young men recently from the Naval Academy who had no real experience at sea in posts of responsibility.

Mr. MONTAGUE. Was there any difficulty experienced in the collection of revenue during that time?

Mr. MARVIN. I heard of no difficulty whatever in the collection of revenue. Of course, in the emergency of war the Navy Department used every ounce of its strength for naval defense and was not so free as it would be in times of peace to detail the necessary number of officers and men to revenue and other incidental duty, but I heard myself of no difficulty even in the emergency of war in the collection of the revenue. I think the Navy Department was perfectly willing to spare all the officers and men it could for the performance of special duties under the Treasury Department and under the Department of Commerce. There was no difficulty in enforcing the laws of either of the other departments which resulted, so far as I know, from the fact that in the war the Coast Guard was under the jurisdiction to which we now ask that it be assigned permanently.

Mr. MONTAGUE. Was the work of the Treasury Department done as efficiently under the Navy in the respect that I am speaking of as heretofore?

Mr. MARVIN. So far as my knowledge goes, I think it was.

Mr. SIMS. England being a great naval and great maritime power, are the services now performed by the Coast Guard in this country performed in England through the navy or through a separate organization?

Mr. MARVIN. There is, I think, a small customs service in England for duty on shore. My understanding is that the Navy furnishes any detail needed for seagoing customs service, at least that of any consequence over there.

Mr. SIMS. I had reference to life saving?

Mr. MARVIN. The life-saving organization in Great Britain is not so complete as our own system of life-saving, because is it a relatively small service performed by local men, but my understanding is that a very large proportion, if not all, of the officers and men of the British coast guard, that is the life-saving coast guard on shore, are men of the naval reserve; in other words, retired or reserved officers and men. The connection between the British coast guard and the navy is exceedingly intimate, as it should be. In our own country, along our coasts during the recent war, the surfmen of the life-saving stations automatically became the lookouts and signalmen of the Navy, and they formed an integral part of our inner line of defense. I can speak with some knowledge of the life-saving service, because I was born and brought up close



to it and have known keepers and men intimately. The life-saving men along the shore should be in close and constant connection with the Navy, for in spite of everything that the Coast Guard can do there is at the present time an occasional or local laxity of discipline, in my judgment, in the coast guard system along the shore, due naturally enough to the character of the men who make it up. They are highly independent or individualistic fishermen or alongshoremen, who are not accustomed to Navy discipline.

Mr. SIMS. How is it with Canada?

Mr. MARVIN. Of the Canadian system I am not aware; I do not know.

The CHAIRMAN. In a letter which you sent to me and I suppose to other members of the committee, you inclosed the statement from Mr. Robert F. Hand, to which you have already referred, Mr. Hand of the Standard Oil Co. of New Jersey. In that statement he uses this expression:

The Coast Guard is a military service operating under the Treasury, and this fact has led to conditions which have hampered it in its duties. While the Navy has been able to obtain large appropriations for its operations, the Coast Guard has never been able to secure from Congress adequate appropriations to carry on its humanitarian duties.

Your thought, then, is that if transferred to the Navy Department there will be increased appropriations?

Mr. MARVIN. Not increased appropriations, Mr. Chairman. There would be, if anything, lessened appropriations. In our judgment the Coast Guard has sometimes lacked sufficient equipment for its duties.

The CHAIRMAN. You are aware of the fact as stated?

Mr. MARVIN. And they have asked sometimes for appropriations for the Coast Guard that could not be granted or which were not granted.

The CHAIRMAN. You are aware of the fact, no doubt, that the letter of Mr. Hand states:

Contracts had been let, but the work has only just been started to construct four first-class cruising cutters of 250 feet in length, having a speed of 18 knots.

Those are being constructed on the sound?

Mr. MARVIN. They are under construction. We would not urge that this committee has ever neglected the interests of the Coast Guard. That is not our thought at all. We do not ask for the change in the expectation of larger appropriations and larger expenditures. We ask for it believing that the Coast Guard, as a part of the Navy, can utilize the abundant equipment of the Navy and that the Coast Guard will have the resources that it needs without coming to this committee or coming to any committee of Congress and asking for further large appropriations.

The CHAIRMAN. Of course, Congress could order the transfer of mine sweepers or cruisers to the Coast Guard of the Treasury Department?

Mr. MARVIN. Yes, sir.

The CHAIRMAN. And so far as that goes, that is not a matter that would cause any difficulty?

Mr. MARVIN. In the Navy, Mr. Chairman, those mine sweepers would have, presumably, more than 100,000 men to draw on for their



maintenance, either in an emergency or permanently, while the Coast Guard is restricted to the resources of the Coast Guard, I think just a little more than 4,000 enlisted men at the present time. We believe that better use can be made of the Coast Guard mine sweepers—more effective use—if the resources of the Navy are made available to them.

Mr. DEWALT. Mr. Marvin, you spoke of the increased efficiency which might be obtained from this transfer, and as a further argument stated that you believed it would lead to more economy. Am I correct in stating that?

Mr. MARVIN. Yes, sir; I did state that as our belief.

Mr. DEWALT. Would you particularize as to the economy which would be effected as a persuasive argument here?

Mr. MARVIN. These are matters which I have already mentioned, but I shall be glad to do so briefly. For example, the recruiting service of the Navy would supply all of the men needed for the Coast Guard. It is very much larger, and naturally more efficient for the recruiting of men. The separate and distinct recruiting service of the Coast Guard would be dispensed with. The academy maintained at Fort Trumbull, Conn., for the training of commissioned officers of the Coast Guard could be dispensed with.

Mr. DEWALT. Have you already gone over that?

Mr. MARVIN. Yes, sir.

Mr. DEWALT. It is my misfortune that I was not here. I do not care to have you go over it again.

Mr. MARVIN. Very well.

#### STATEMENT OF CAPT. P. H. HARRISON, COAST GUARD.

The CHAIRMAN. Capt. Harrison, you testified at the former hearing?

Capt. HARRISON. Yes, sir.

The CHAIRMAN. You may proceed.

Capt. HARRISON. I have been requested to represent that portion of the Coast Guard that favors the transfer of the service to the Navy. That percentage is 86.5 per cent of the commissioned officers and warrant officers of the Coast Guard. I have at a previous hearing gone over a good deal of the argument that I have to submit, but I should like to touch briefly on a few of the points, particularly the previous efforts that have been made, the comments of committees of Congress and of governmental officers at various times. This is, I think, the fifteenth effort that has been made, the fifteenth time that the project has been brought up, and I should like to quote certain extracts from the message of President Taft in 1912 in which he recommended changes in the existing system.

This transfer has been attempted many times during the history of this service (formerly the Revenue-Cutter Service). The first attempt being made February 4, 1796, only six years after the organization of the service, August 4, 1790. Other attempts have been made at various times as follows:

February 10, 1840, by House Committee on Naval Affairs.  
December 15, 1841, by Senate Committee on Naval Affairs.  
December 22, 1842, by the House of Representatives.  
February 2, 1843, by the Senate.



May 13, 1846, by the House of Representatives.  
 January 15, 1859, by Secretary of the Treasury, Mr. Howell Cobb. Referred to the Senate.  
 December 4, 1860, annual report, Secretary of the Treasury, Mr. Howell Cobb.  
 1882 and 1883, by Hon. William E. Chandler, Secretary of the Navy, annual reports.  
 1889, Hon. Benjamin Tracy, Secretary of the Navy, annual report.  
 April 2, 1890, by House bill 6944, Fifty-first Congress, first session.  
 February 14, 1890, Senate Naval Committee.  
 February 29, 1892, Secretary of the Navy, Senate bill 67.  
 April 4, 1912, President William H. Taft, in his message to Congress, on recommendation of the President's Commission on Economy and Efficiency, dated December 15, 1911. (Pub. Doc. No. 670, 62d Cong., 2d sess.)

Extracts from the report of the President's Commission on Economy and Efficiency are quoted herewith:

*To the Senate and House of Representatives:*

On the 17th of January last I sent a message to the Congress describing the work of the commission appointed by me under authority of the acts of June 25, 1910, and March 3, 1911, granting appropriations to enable me to inquire into the methods of transacting the public business of the various executive departments and other governmental establishments, and to make a report as to improved efficiency and greater economy to be obtained in the expenditure of money for the maintenance of the Government. By way of illustrating the utility of the commission and the work which they were engaged upon, I referred to a number of reports which they had filed recommending changes in organization of the departments and bureaus of the Government, the avoidance of duplication of functions and services, and the installation of labor-saving devices and improved office methods. All of the recommendations looked to savings of considerable amounts. With the message of February 5, 1912, I transmitted to the Congress the reports on the centralization of distribution of Government documents, on the use of window envelopes, and on the use of a photographic process for copying records.

A number of the reports of the commission had not been then commented on by the heads of the departments that would be affected by the changes recommended, and, therefore, I did not feel justified at that time in recommending to the Congress the statutory amendments necessary to carry out the recommendations of the commission. Since then, however, I have received the recommendations of the heads of departments, and I transmit this message for the purpose of expressing my approval of the changes recommended by the commission and of laying before the Congress the reports prepared by the commission. \* \* \*

The report of the commission on the Revenue-Cutter Service (Appendix No. 3) represents a detailed investigation of the history, organization, and activities of this branch of the Government service and its relations to other services. The conclusion is reached that all of the duties now being performed by this service can be performed with equal efficiency by other services and that a great economy will result by having these duties so performed. The commission accordingly recommends that the service be abolished as a distinct organization; that its equipment be distributed among other services requiring the use of marine craft; and that provision be made for the performance of the work now being done by it by such other services.

With these fundamental recommendations of the commission I am in full accord, and I recommend that the necessary legislation be enacted to put them into effect.

At the present time the Revenue-Cutter Service (which was the predecessor of the Coast Guard) is organized as a naval establishment. The country is, in effect, maintaining two navies, and is using one of these navies for the performance of duties of a civil character. The maintenance of two separate naval establishments entails unnecessary expense and is not in the interest of either efficiency or economy. In so far as the duties of the Revenue-Cutter Service are of a naval character, or are such as can readily be performed by the regular Naval Establishment, they should be performed by such establishment; in so far as they are of a purely civil character, use should be made of services organized and conducted upon a civil basis.

In respect to the distribution of the equipment and duties of the Revenue-Cutter Service among other branches of the Government, the recommendation of the



commission looks to the transfer to the Navy Department of the vessels which are adapted to deep-sea cruising, and the discharge by the Naval Establishment of most of the duties now performed by the Revenue-Cutter Service upon the high seas. In memoranda submitted on the report of the commission, copies of which are submitted with such report, on the one hand the Secretary of the Navy raises the question as to whether these duties can be performed by the regular Naval Establishment without detracting from its military efficiency, while, on the other hand, the Secretary of Commerce and Labor raises the question whether certain of these duties can not be performed by the Lighthouse Service if that service is provided with vessels suitable for the purpose.

In view of these suggestions I recommend that, in the enactment of legislation providing for the abolition of the Revenue-Cutter Service, provision be made for the transfer of all the vessels and equipment of the Revenue-Cutter Service from the Treasury Department to the Department of Commerce and Labor; that the Secretary of Commerce and Labor be directed to assign such vessels and equipment to the Lighthouse Establishment, Bureau of Fisheries, and other services under his jurisdiction requiring the use of vessels, as, in his judgment, is for the best interest of the public service, and that authority be given to him to turn over to the Navy such vessels as he may find, upon investigation, not to be required by his department and which by their character are fitted to serve as useful auxiliaries to the Naval Establishment.

In thus recommending that the Revenue-Cutter service as a separate establishment be abolished, I desire to make plain that such action does not carry with it the discontinuance of the rendering of any valuable and proper service now being rendered by that organization. On the contrary, I am persuaded that all such services will continue to be performed under the system recommended by me with equal or greater efficiency.

It should be noted that the adoption of the recommendation here made will result in bringing under one general administration all of the work of the Government having to do with the protection of life and property at sea. This will result not only in greatly increased efficiency but in a large saving. The Lighthouse Establishment is compelled by the nature of the work to maintain and operate a large fleet of vessels and supplementary administrative divisions, depots, inspection services, etc., to attend to matters pertaining to their business management. It is thus fully prepared to take over and operate the additional vessels that may be assigned to it and to perform the additional duties with which it may be intrusted at an added expense that will be small in comparison with that now entailed in maintaining an independent service on a military basis.

A further benefit of no little importance that will also be secured will be that of relieving the Department of the Treasury of duties which are in no ways germane to the primary function of that department. \* \* \*

In submitting these reports with recommendations I will state that in my opinion each of the foregoing recommendations, if acted on, will contribute largely to increase efficiency. Directly and indirectly the changes proposed will result in the saving of many millions of dollars of public funds. This will leave Congress free to determine whether the amount thus saved shall be utilized to reduce taxation or to provide funds with which to extend activities already carried on and to enter on beneficial projects which otherwise could not be undertaken for lack of funds.

Again I urge upon the Congress the desirability of providing whatever funds can be used effectively to carry forward with all possible vigor the work now well begun. The \$200,000 required for the prosecution of the inquiry during the ensuing year and the \$50,000 estimated for the publication of results are inconsiderable in comparison with the economies which can be realized.

WM. H. TAFT.

THE WHITE HOUSE, April 4, 1912.

NOVEMBER 17, 1911.

The PRESIDENT:

The Commission on Economy and Efficiency has the honor to submit the following report in reference to the Revenue-Cutter Service of the Department of the Treasury. Its recommendation in respect to this service is that it be abolished and that the duties now being performed by it be distributed among other existing organizations of the Government.



## INTRODUCTION.

In the consideration which the commission has given to the organization and activities of the services of the Government having to do with maritime affairs, special attention has been given to the Revenue-Cutter Service. After a careful study of the work now being performed by this service the commission is convinced that the service has not a single duty or function that can not be performed by some other existing service, and be performed by the latter at much smaller expense on its part. The commission therefore recommends that the Revenue-Cutter Service, as a separate branch of the Government, be abolished, and that the duties now being performed and the equipment used by it so far as this may be necessary be distributed among other branches of the Government.

The maintenance of this service at the present time involves an expenditure of approximately two and a half billion dollars annually.

This was in 1912 before the amalgamation of the Revenue-Cutter Service and the Life-Saving Service. The appropriation for the ensuing fiscal year, 1921, for the Coast Guard is \$9,499,000.

The commission believes that its abolition as a separately-organized branch will result in a direct saving of a large part of this sum; and that, after the work of distributing the duties now being performed by the service among other branches of the Government service is definitely accomplished, the net saving to the Government will be at least \$1,000,000 annually. This economy, it believes, will be effected not at the expense of efficiency, but that, on the contrary, all the duties now being performed by the service will be equally, if not more efficiently, discharged by other services.

In that part of this recommendation as to the separation of the duties among other services the officers of the Coast Guard do not agree with the commission; they contend that all the duties and all the equipment should be turned over to the Navy.

The importance of the issue makes it desirable that a full statement of the facts regarding this service be set forth, with the considerations that led the commission to reach its conclusion on the subject. The effort has been made therefore to compile, and to present in exhibits to this report, the detailed data regarding the history, organization, and activities, and legal powers and duties of the service, and to reproduce in full all official documents which throw light upon the questions to be considered. Care has been taken to include a full statement of the efforts that were put forth for nearly a century looking to the transfer of the Revenue Cutter Service from the Treasury Department to the Navy Department. Although these efforts were directed to the accomplishment of a purpose differing materially from the present recommendations of the commission, many of the arguments advanced in favor of and against such transfer have a direct bearing upon the issue now raised.

The commission appreciates that, had it been possible for it to do the work, an intensive investigation of the manner in which the service at the present time conducts its affairs would have been of value in itself, and also would have thrown additional light on the subject of the general status or necessity for the existence of the service. It must be borne in mind, however, that the question raised by the commission's recommendation is not whether the Revenue-Cutter Service is or is not being efficiently operated. It is assumed that it is. The question is a much larger one, namely, whether such a service should be maintained at all as a separately organized branch of the Government. It is believed that the material here assembled furnishes sufficient data for an intelligent consideration of this question. \* \* \*

## CONCLUSION.

The commission has not thought it necessary to enter into a more elaborate argument in support of its recommendation, since many of the arguments have already been stated with great force by committees of Congress in reporting favorably upon bills looking to the transfer of the service to the Navy Department. Especially is this true of the report made in 1892, the last occasion when a serious effort was made to have this action taken. So clearly is the position



of the commission stated that it is believed that the report should be read with care. It states:

"The question whether the revenue marine is civil or military or whether it is more civil than military is to be found fully considered in the documents to which reference has been made. There can be little doubt that in form and substance all the ships, with their appurtenances and their officers and men, are military in all their substantial characteristics and that their duties are in the main as essentially military as those performed off and along our own ocean coasts by the vessels of the Navy. The 24 armed revenue cutters which cruise outside our harbors could, under the present modern methods of commerce, be entirely dispensed with without seriously affecting the collection of the revenues of the Government or materially impairing any functions necessary to the conduct of the legitimate business of the Treasury Department. \* \* \*

"Upon a deliberate review of the whole subject the committee can not avoid the conclusion that the public interests, according to modern conditions affecting both the work which has been performed by the revenue marine and that of the Navy, require the present union on just terms of the two services. We are confronted with the existence of two American navies, one, the larger or principal navy, with 269 guns, 74 ships, 1,316 officers, 8,188 seamen, the other, the smaller or Treasury navy, comprising 62 guns, 34 ships, 220 officers, and 711 seamen. These two navies are essentially alike and completely military in their material characteristics, and, so far as our own 5,700 miles of continental coast line and the 4,700 miles of Alaskan waters are concerned, they are both engaged in time of peace in similar duties, and each would be engaged in the same duties as the other in time of war.

"It is time that this anomaly should end and that both the American navies should, for the purposes of construction, organization, and discipline, be placed under the control and direction of one departmental head, and that should be the military one, of the Secretary of the Navy.

"For certain duties, and as occasion may arise, the ships and officers and men of the Navy will be detailed by the Navy Department, as they are now, for service according to the needs and direction of the Secretary of the Treasury, the Secretary of War, and the Secretary of State. \* \* \*

"The committee believe that in recommending the transfer from this huge and overburdened Treasury Department of the supervision of the naval ships, guns, officers, and seamen the real efficiency of that department in the performance of its legitimate and indispensable work will not be injured, but, indeed, will be largely increased.

"In time of peace the Secretary of the Navy can devote more personal attention to promoting the efficiency of the vessels of the revenue marine than can be given by the Secretary of the Treasury. In time of war, necessarily and immediately, the command of the outside cruising revenue cutters passes at once to the Secretary of the Navy. He should therefore in time of peace retain the control of the construction and preservation of such vessels and of the organization and discipline of their officers and seamen.

"The subject of the transfer of the revenue cutters to the Navy Department has been under discussion for about 10 years. The facts and arguments are fully before the public. The delay in reaching a decision is exceedingly detrimental to the national interests, and the question should receive an early and decisive settlement at the present session of Congress."

That argument, I think, exactly covers the case as it stands to-day.

In concluding this report the commission desires again to make it clear that its recommendation is essentially different in purpose from the various efforts made in the past affecting the status of the Revenue Cutter Service. The recommendation of the commission is that the service be abolished as a separate service, and that its duties be taken over by other services—not that a transfer of the service in toto be made. The position of the commission is, not that the service as at present organized and conducted should be in one department instead of in another, but that there is no need for such service at all; that the duties performed by it can be performed by other existing services at much less cost.

It has been pointed out that the administrative machinery of the Revenue Cutter Service now consists of:

1. An office of general administration at Washington.
2. Four district officers at New York, New Orleans, San Francisco, and Port Townsend.



3. A construction and repair station at Baltimore.
4. A depot at Arundel Cove, Md.
5. A general store at San Francisco.
6. A school of instruction with a practice cutter at New London, Conn.
7. Twenty-six cruising cutters.
8. Sixteen harbor cutters, consisting of nine tugs and seven launches.

It is immediately apparent that, with the abolition of the service, all need for the first six of these administrative units or parts will disappear. There being no special service to administer, the office of general administration and the four district offices will not be needed. The Navy Department is already fully equipped to do all construction and repair work, so that there will be no need for the construction and repair station at Baltimore. In the same way the general depots and storehouses of the Navy Department are fully able to meet all demands that will come upon them, so that the depot at Arundel Cove, Md., and the general store at San Francisco can be abandoned. The need for the school of instruction at New London will also cease to exist, since the only real necessity for such a school at the present time is in order to give the officers of the Revenue-Cutter Service instruction in technical military matters, and that instruction the officers of the Navy will receive at the Naval Academy.

In respect to the cruising cutters it is recommended that they be transferred to the Navy Department. When so transferred the commission sees no reason why they can not be incorporated into the general Naval Establishment, and be available for any work to be done by that establishment. This transfer is recommended simply as representing the best disposition that can be made of these vessels. In point of fact, the commission believes that the Navy, with its necessary ships, will be able to do all of the deep-sea cutter work required, with fewer vessels devoted entirely to the duties performed by the Revenue-Cutter Service, than is possible when these duties are performed by a separately organized branch. Further, that the necessity for the construction of additional vessels would be correspondingly decreased. The Naval Establishment will always embrace auxiliary ships, small cruisers, and other vessels that are not up to the required standards of efficiency for war. These can be used for services civil in character, and may be used in a measure to relieve the need for new construction. In the same way it is believed that the necessity for the employment of additional officers and men for the operation of these vessels will be less than if the service were independently operated.

If the recommendation of the commission is favorably considered, the question will then arise as to the provision that should be made for the existing personnel of the Revenue-Cutter Service, and for the arrangement of the details incident thereto. This is a matter that the commission believes should not be considered by it until knowledge is obtained as to whether it is proposed to carry into execution that action recommended.

FREDERICK A. CLEVELAND, *Chairman*.  
 W. F. WILLOUGHBY.  
 WALTER W. WARWICK.  
 FRANK J. GOODNOW.  
 HARVEY S. CHASE.  
 MERRITT O. CHANCE, *Secretary*.

The following are further extracts from the appendix of the Cleveland Commission Report:

(a) The first of these efforts dates from February 4, 1796, less than six years after the service was established, and consisted in a petition presented to the Senate by a number of the officers of the service praying they "be placed upon the full Naval Establishment." This petition was referred to a special committee, which committee failed to make a report. \* \* \*

(b) February 10, 1840, the House adopted a series of five resolutions, the second of which related to the Revenue-Cutter Service, and is as follows:

"Resolved, That the Committee on Naval Affairs be instructed to inquire into the expediency of employing armed steamers in the Revenue Service instead of the vessels now in use, and of making that service a branch of the Navy in all respects, except so far as may be necessary to have the general direction of it with the Treasury Department."



The committee failed to make the report required by the resolution.

December 15, 1841, the Senate adopted the following:

"*Resolved*, That the Committee on Naval Affairs be instructed to inquire into the expediency of abolishing the system of revenue cutters and of employing a part of the Navy of the United States in that service."

Committee failed to make report.

December 28, 1843, the following was adopted by the House:

"That a select committee of five be appointed \* \* \* to inquire into the expediency of employing armed steamers in the Revenue Service and uniting it to the Navy, and using iron in the construction of said vessels, and report by bill or otherwise."

Committee was appointed, but made no report.

February 2, 1843, the Senate unanimously adopted the following:

"*Resolved*, That the Committee on Commerce be instructed to inquire into the expediency of abolishing the system of revenue cutters, and of employing a part of the Navy of the United States in that service \* \* \*."

(c) May 13, 1846, the House having under consideration a bill to regulate the appointment and promotion of officers of the Revenue Service, it was recommended to the Committee on Naval Affairs with instructions—

"To strike out all of the enacting clause and report a bill to the House providing that all vessels now engaged in the Revenue Marine Service of the United States, or now building for the same, and under the control of the Treasury Department, be transferred to the control of the Navy Department for public service, and subject in all respects to the regulations thereof, as established by law."

"The above elicited discussion, which is recorded in the Congressional Globe, Twenty-ninth Congress, first session, pages 811, 812.

January 15, 1859, in a plan submitted to the Senate by the Secretary of the Treasury, Mr. Howell Cobb, for the revision and consolidation of the revenue laws, no provision is made for the Revenue-Cutter Service, and the following is said in relation to that service:

"Another branch of expenditures now charged to the expenses of collecting the revenue grows out of the Revenue-Cutter Service \* \* \*."

"For what purpose is this service kept up? If the object is to aid our customhouse officers in the collection of the revenue by enabling them to board and examine vessels entering their ports, it can be dispensed with. Other arrangements less expensive and more effective should be substituted. At the larger ports there would be kept small steam tugs, which would involve much less expenditure and at the same time be more useful, whilst at other ports the present arrangements have been found sufficient for all necessary purposes.

"There are, however, two other objects contemplated in keeping up the Revenue-Cutter Service—first, the prevention of smuggling, and, second, the relief afforded to vessels in distress on our coast.

"It is submitted to the consideration of Congress whether both these objects can not be better accomplished by the naval service.

"The gradual increase of naval vessels, and especially that class which would be best suited to these objects is a policy which commends itself very strongly to our favorable consideration. In carrying out such a policy I see no good reason why this expenditure now imposed upon the revenue may not be saved, and that, too, without adding materially to the expense of the Navy. The most serious objection which has occurred to my mind is the disposition of the officers now attached to the Revenue-Cutter Service. Many of them have long been connected with it, and it would seem a harsh judgment to discharge them unceremoniously from the public service. To incorporate them into the Navy is attended with objections and difficulties which seem to be insurmountable. They might, however, be transferred and attached to the jurisdiction of the Navy Department and continue in the public service until their present commissions should terminate by death, resignation, or removal, and the power should be given to transfer to an assimilated rank in the Navy those who might, by meritorious conduct, prove themselves worthy of it \* \* \*."

(d) December 4, 1860, in his annual report for 1860, the Secretary of the Treasury, Mr. Howell Cobb, invites attention to his report of January 15, 1859,



submitting a bill for the revision and consolidation of the revenue laws, and continues:

"With the exception of the *Harriet Lane*, there are none but sail vessels employed in the Revenue Service.

"I have before represented to Congress that this service could be transferred to the Navy Department with benefit to the public service, and I think so still. If this should not be done \* \* \* steam vessels should be substituted for the sail vessels now used \* \* \*."

(e) In 1882 and 1883 Hon. William E. Chandler, Secretary of the Navy, in his annual reports for those years urged in the strongest way that the Revenue-Cutter Service, as well as certain other services having to do with maritime affairs, be transferred to his department \* \* \*.

(f) Bills transferring the Revenue-Cutter Service from the Treasury Department to the Navy Department were introduced in the House. A substitute bill, H. R. 6944, was reported favorably by Mr. H. C. Lodge from the Committee on Naval Affairs and passed the House, but failed to pass the Senate, although favorably reported by the Senate Naval Committee April 2, 1890. A similar bill has been favorably reported by the Senate Committee on Naval Affairs on the 14th day of February, 1890.

The report of the House committee reproduces the recommendation of Secretaries Chandler and Tracy, and also a letter by Mr. Windom, Secretary of the Treasury, approving of the transfer. Following is a copy of this letter:

TREASURY DEPARTMENT, *January 9, 1890.*

SIR: I have respectfully to acknowledge the receipt of your letter of the 2d instant, transmitting for my examination and views House bill 450, providing for the transfer of the Revenue-Cutter Service from the Treasury Department to the Navy Department, and in reply have the honor to state that I have examined the bill with the view to the interest of the Government and the officers concerned, and that it meets with my approval.

The bill is herewith returned as requested.

Respectfully, yours,

W. WINDOM, *Secretary.*

HON. CHARLES S. BAKER,

*Chairman Committee on Commerce, House of Representatives.*

The conclusion of the House committee as contained in its report was stated as follows:

"In conclusion, your committee will say that the proposed transfer will result in a large saving to the Government, as will be seen by the following estimate (Appendix A), and they therefore believe that on every ground of efficiency and economy the bill should pass."

The conclusions of the Senate committee were stated in the following terms:

"It thus appears from its history that the naval character of the Revenue-Cutter Service has been recognized from its foundation by its employment in warlike operations in every war in which the country has engaged by its prescribed duties, by the armament of its vessels and their crews, and by uniforming and giving naval rank to its officers.

"Although doing naval duties in times of peace and war, it has been hitherto, and now is, occupying the anomalous position of being under the control of the Treasury Department. All its duties are naval; the only association they have with the Treasury is that these duties are performed for protecting the revenues of the Government. All the appliances used and the services rendered are essentially such as pertain to a naval establishment.

"It would seem, therefore, to need no argument to show that a service that requires officers to command public armed vessels and seamen to man them should be a part of the Naval Establishment."

It should be stated also that the officers of the revenue-marine service at this time were strongly in favor of the transfer. Of the 206 officers then in the service 198 joined in a petition addressed to the Secretary of the Treasury urging that this action be taken. \* \* \*

(g) A bill (S. 67) providing for the transfer was introduced in the Senate and was referred to the Committee on Naval Affairs. This committee made a very thorough investigation of the subject and prepared a report reciting the



history of previous efforts and reproducing the more important documents bearing on the matter. This report was strongly in favor of the bill providing that the transfer should be made. \* \* \*

NOTE.—The essential part of this report has been quoted in conclusions of the commission (Extract 5).

(h) In spite of the fact that opinion seemed to be so strongly in favor of the consolidation of the two services both inside and outside of the Halls of Congress, success was not obtained in securing legislation looking to this end. Since this date, 1892, or during the last 20 years, it does not appear that the proposal for the union of the services has been revived, or if revived has not been pushed with any great energy.

These repeated efforts must lead one to the conclusion that there has always existed a doubt as to the expediency of maintaining a separate and distinct organization to perform these so-called Coast Guard duties.

The expediency of making this transfer is more evident at the present time than ever before. The connection between the Coast Guard and the Treasury Department, including the former Revenue-Cutter Service, has grown weaker and weaker as progress has been made in the organization of the Customs Service, until now the Customs Service is practically self-supporting in all respects. The Coast Guard has grown away from its civil functions and has become almost entirely military in its duties, and its manner of performing them, until there remains only a slight relationship with the Customs Service.

#### DUTIES PERFORMED BY THE COAST GUARD.

As specified by the regulations governing the Coast Guard, the duties to be performed by this service are as follows:

1. Rendering assistance to vessels in distress and saving life and property. (Laws: R. S. 1536, 2759; act June 18, 1878, 20 Stats., 163; act Jan. 28, 1915.)
2. Protection of the customs revenue. (Laws: R. S. 2747, 2758, 2761, 2762, 2764, 2765, 2773, 3059, 3061, 3067, 3068.)
3. Destruction or removal of wrecks, derelicts, or other dangers to navigation. (Laws: Act May 12, 1906, 34 Stats., 190.)
4. Extending medical aid to United States vessels engaged in deep-sea fishing. (Laws: Act June 24, 1914.)
5. Operating as a part of the Navy in time of war or when the President shall so direct. (Laws: Act Jan. 28, 1915; act Aug. 26, 1916.)
6. Enforcement of rules and regulations regarding anchorages of vessels. (Laws: Act May 16, 1888, 25 Stats., 150; act Feb. 6, 1893, 27 Stats., 431; act Mar. 6, 1896, 29 Stats., 54; act Mar. 3, 1899, 30 Stats., 1801; act June 6, 1900, 31 Stats., 682; act Apr. 26, 1906, 34 Stats., 136; act Mar. 4, 1915.)
7. Enforcement of laws relative to immigration, quarantine, and neutrality. (Laws: R. S. 2163, 4792, 5288.)
8. Suppression of mutinies on merchant vessels. (This duty is carried out by custom, there being no specific laws relative to its performance.)
9. Enforcement of navigation laws and other laws governing merchant vessels and motor boats. (Laws: R. S., 4234; act June 9, 1910, 36 Stats., 462.)
10. Enforcement of law to provide for safety of life on navigable waters during regattas or marine parades. (Laws: Act May 19, 1896, 29 Stats., 122; act Apr. 28, 1908, 35 Stats., 69.)
11. Protection of game and the seal and other fisheries in Alaska. (Laws: R. S. 1954, 1955, 1956; act Mar. 2, 1889, 25 Stats., 1009; act Dec. 29, 1897, 30 Stats., 226; act June 14, 1906, 34 Stats., 263; act Apr. 21, 1910, 36 Stats., 326; act Aug. 24, 1912, 37 Stats., 499.)
12. Enforcement of sponge-fishing law. (Laws: Act June 20, 1906, 34 Stats., 313; act Aug. 15, 1914.)



13. Administering oaths generally in Alaska. (Laws: Sec. 12, act Apr. 16, 1908, 36 Stats., 61.)

14. Collecting statistics regarding loss of life and property on vessels. (Laws: Act June 20, 1874, 18 Stats., 125, 126, 127, 128.)

#### CLASSIFICATION OF DUTIES.

Reference to the laws will show that these so-called Coast Guard duties are delegated to the various governmental departments as follows:

##### A. DEPARTMENT OF THE TREASURY.

Duty 2. Protection of the customs revenue.

Duty 4. Extending medical aid to United States vessels engaged in deep-sea fisheries.

Duty 6. Enforcement of rules and regulations regarding anchorage of vessels.

Duty 14. Collecting statistics regarding loss of life and property on vessels.

##### B. DEPARTMENT OF COMMERCE.

Duty 9. Enforcement of navigation laws and other laws governing merchant vessels and motor boats.

Duty 10. Enforcement of law to provide for safety of life on navigable waters during regattas and marine parades.

Duty 11. Protection of game and the seal and other fisheries in Alaska.

Duty 12. Enforcement of sponge-fishing law.

##### C. DEPARTMENT OF THE NAVY.

Duty 3. Destruction or removal of wrecks, derelicts, etc.

Duty 5. Operating as a part of the Navy in time of war or when the President shall so direct.

##### D. DUTIES NOT SPECIFICALLY DELEGATED BY LAW TO ANY PARTICULAR DEPARTMENT.

Duty 1. Rendering assistance to vessels in distress and saving life and property.

Duty 7. Enforcement of laws relative to immigration, quarantine, and neutrality.

Duty 8. Suppression of mutinies on merchant vessels.

Duty 13. Administering oaths generally in Alaska.

#### DISCUSSION OF DUTIES—TREASURY DEPARTMENT.

Duty 2. Protection of the customs revenue: The present-day activities of the Coast Guard in performing this duty have become practically nil, consisting of boarding merchant vessels in port and operating a few harbor vessels for the purpose of placing civil officers of the customs (inspectors) on board incoming ships. In fact, these harbor cutters are merely ferries for the benefit of these inspectors and do not require a military personnel for their operation.

Mr. DENISON. Captain, is it your idea that if this transfer is made, the Navy should cease that part of the present functions of the Coast Guard entirely and allow the Treasury Department to have its own force to look after the customs work.

Capt. HARRISON. No, sir.

Mr. DENISON. What is your idea?

Capt. HARRISON. That the Navy take over, in its entirety, the Coast Guard and all its functions.

Mr. DENISON. Then would your idea be that they should cease that function entirely?



Capt. HARRISON. Not at all; no, sir. It should be carried on just as it is carried on to-day and for probably the first two or three or four years after the transfer, if it be effected, would be done by identically the same personnel, who are thoroughly experienced in the performance of those duties. Protection of the Customs Revenue is unquestionably a duty of officers of the customs; but officers of the Coast Guard are officers of the customs only in a limited sense, they being clothed with the authority of such officers in order that they might legally board vessels for the purpose of making examinations of cargo, certification of manifests, and, when necessary, make seizures.

The laws requiring the Coast Guard (formerly the Revenue Cutter Service) to perform certain duties in the protection of the customs revenue, were promulgated many years ago, mostly during the early years of the Government, when our coasts were sparsely settled, ports of entry infrequent, and smuggling in bulk was possible.

Modern conditions are vastly different. In all our ports where it is possible for a vessel to land cargo there is a customhouse with a collector of customs available to handle all customs business. Smuggling in bulk, or even in appreciable quantity, is no longer possible. All customs business can be handled, and is handled, within the limits of our harbors, and a coast patrol for this purpose is no longer required. Such extraordinary cases as might arise could be satisfactorily handled by a naval vessel especially detailed for the occasion. With modern means of communication, all necessary speed is possible in the detection and prevention of any smuggling that might be attempted.

The Customs Service already operates with civil personnel in 29 of our ports, harbor vessels for boarding purposes, the Coast Guard harbor vessels being used only where the Customs Service has no such vessels; that is, in 13 of our ports.

The only real work performed by the Coast Guard for the Treasury Department is the operation of these few harbor vessels, and there is nothing in the nature of this work that prevents it being done efficiently under the Navy Department. As before stated, these harbor vessels are operated as ferries, and the personnel of the vessels take no part in the actual customs inspection of the merchant ship. When not occupied as ferries, these vessels are used to place boarding officers on board merchant vessels to make inspections in the enforcement of navigation and motor-boat laws. In this latter work the Coast Guard personnel represents the Department of Commerce and not the Department of the Treasury.

Duty 4. Extending medical aid to United States vessels engaged in deep sea fisheries: This duty was imposed on the Coast Guard in 1914 (act of June 24, 1914). Essentially it requires a vessel to cruise on the Grand Banks of the North Atlantic and in the Gulf of Alaska during the fishing season in these localities.

The vessels assigned to this duty each carry a physician on board to afford the required medical attention to the personnel of the fishing fleets. The Coast Guard has no doctors in its regular personnel, and the doctors for this duty are assigned from the personnel of the Public Health Service.



This giving of medical aid to the crews of merchant vessels can not be logically, even remotely, charged as a duty of the Treasury Department, which should have cognizance of the Government's financial matters only.

There is absolutely nothing in this duty which could possibly prevent its being performed by naval vessels, with naval medical officers, who enter the naval service fully aware that they must serve at sea and who are in all respects prepared to so serve.

Therefore, the duty of extending medical aid to vessels engaged in deep-sea fisheries, could be transferred to the Navy Department without detriment to the Treasury Department, at the same time relieving the Public Health Service of this burden.

Duty 6. Enforcement of rules and regulations regarding anchorages of vessels: This is another duty which is not properly chargeable to the Treasury Department, as it in no way involves the financial functions of the Government. The law (act of Mar. 6, 1896, and Apr. 26, 1906) places the promulgation of these rules and regulations with respect to St. Marys River in the Department of Commerce, and the execution of them in the Treasury Department (Coast Guard), it being implied that at times force may be necessary to enforce observation of the said rules and regulations. It is the factor of required force that connects the Coast Guard with this duty.

The act of March 4, 1915, places the promulgation of such rules and regulations with respect to all other harbors, rivers, bays, etc., in the War Department, and the execution of them is delegated to the Coast Guard and also to the Chief of Engineers of the Army.

It can readily be seen that the situation is considerably involved, affecting three different governmental departments—Commerce, Treasury, and War. It so proved during our recent war in the port of New York, where the Coast Guard (operating by law as a part of the Navy) was executing the rules and regulations regarding anchorages promulgated by the Department of Commerce and the War Department, while the commandant of the naval district including the port of New York had no jurisdiction over the Coast Guard officers performing this duty, though those officers should have been, as required by law, serving in the Navy.

There is obviously no reason why this duty should not be performed by naval vessels and naval personnel. The Treasury Department would suffer in no way by the transfer, while the involved situation would be clarified by placing the supervision of anchorages in the Navy Department. The benefit of this transfer would be particularly felt in time of war, when the Navy Department must have supervision over the merchant marine.

Duty 14. Collecting statistics regarding loss of life and property on vessels: Here again is a duty which is not properly a function of the Treasury Department.

This duty was formerly performed by the Life-Saving Service and was transferred to the Coast Guard when the Life-Saving Service was amalgamated with the Revenue-Cutter Service, forming the present Coast Guard (act of Jan. 28, 1915).

This duty consists of collecting data relative to wrecks and marine casualties along our coasts. It is of minor importance and is of no



practical value to the Treasury Department. The transfer of this duty, together with the operation of life-saving stations from the Treasury Department, would in no way be harmful to that department, while the transfer would be of material benefit to the Navy Department. The question of these life-saving stations I will discuss at another point.

Summing up relative to the duties classified as being directly delegated to the Treasury Department, it appears that all of them except "Protection of the customs revenue" are not properly functions of the Treasury Department and that all of them can be just as efficiently and as economically performed by the Navy Department.

Also, it appears that the duty "Protecting the customs revenue" has become defunct, in so far as the Coast Guard is concerned, by reason of changes in conditions affecting the administration of customs business.

Granting that the above assumptions are true—and they undoubtedly are true from the viewpoint of the experienced seagoing Coast Guard officer—there remains no direct connection between the Treasury Department and the Coast Guard specified by law.

#### DEPARTMENT OF COMMERCE.

**Duty 9. Enforcement of navigation laws and other laws governing merchant vessels and motor boats:** This duty consists of boarding merchant vessels and motor boats to see that such vessels and boats are equipped in accordance with law with navigational equipment; running lights, life preservers, licenses, certificates of inspection, etc.

The Coast Guard vessels and personnel perform this duty by boarding these vessels in port. Only rarely are such vessels boarded at sea, and then only in exceptional cases where these vessels are found navigating at night without showing the prescribed navigational lights. In ports of any size, this boarding work is a duplication of work performed by civil officers of the customs, who are specifically charged by law with the execution of this duty, and who maintain for this purpose their own boarding boats.

Granting that it may be necessary for the Department of Commerce to have some assistance in the enforcement of the navigation laws, and the motor-boat laws, by a nautical organization not under its direct control, there appears no reason why this assistance can not be rendered by the Navy Department just as efficiently and as economically as it is now rendered by the Coast Guard under the Treasury Department.

**Duty 10. Enforcement of law to provide for safety of life on navigable waters during regattas and marine parades:** This duty consists of patrolling race courses, and parade lanes at regattas and marine parades, to keep observation vessels from obstructing such courses and lanes and to rescue such persons as may be in danger of drowning.

The law does not delegate this duty to the Treasury Department or to the Coast Guard. It delegates this duty to the Department of Commerce, which is authorized to request its performance by any other department or to accept the services of private vessels gratui-



tously offered for this service. The Coast Guard in performing this duty has very frequently made use of such private vessels in carrying out this work.

The Secretary of Commerce could just as well request the performance of this duty by naval vessels and naval personnel.

Duty 11. Protection of game and seal and other fisheries in Alaska: The laws covering the performance of this duty specifically provide that the Department of Commerce shall be responsible for the execution of these laws and is authorized to call upon the Navy or the Coast Guard for necessary assistance.

The act of August 24, 1912 (sec. 9) provides that the President shall cause a guard or patrol to be maintained in the waters frequented by the seal herd, etc., and the patrol shall be composed of naval or other public vessels of the United States.

It then appears that this duty is not a function of the Treasury Department, but that it can be performed by the Navy Department in accordance with existing law.

The United States is a party to a treaty with Great Britain, Russia, and Japan, which forbids the killing of fur seal under certain conditions, and it is therefore only necessary to maintain this patrol in accordance with the terms of the treaty.

Practically this duty consists of one or more vessels cruising in the vicinity of the Pribilof Islands in Bering Sea during the breeding season of the fur seal to prevent poaching on the rookeries.

During the past three years this patrol has been carried out by one Coast Guard cutter, which, in addition to this patrol, cruises among the Aleutian Islands to inspect the Indian villages and carry out certain minor duties for the Bureau of Education. The other nations, parties to the treaty, carry out their part of this patrol with their naval vessels.

There is positively nothing connected with this duty that would prevent its being performed by naval vessels and naval personnel. In fact, the law specifically provides for its performance by the Navy.

There are several other lines of activity carried on by the Coast Guard in Alaskan waters, such as the annual cruise to the Point Barrow refuge station, but again there is nothing to prevent this work being done by naval vessels.

Duty 12. Enforcement of sponge-fishing law: This duty requires merely that some public vessel patrol the sponge-fishing grounds off the coast of Florida. The patrol can be just as well maintained by a naval vessel.

Summing up relative to the duties classified as being delegated to the Department of Commerce, it appears that all of them can be as efficiently and economically performed under the Navy Department as they are now performed under the Treasury Department (Coast Guard).

#### DEPARTMENT OF THE NAVY.

Duty 3. Destruction or removal of wrecks, derelicts, etc.: By law this duty is specifically delegated to the Navy Department, and logically should be performed by that department, which is adequately equipped to carry out this work. In fact, such explosives



as are required for the destruction or removal of wrecks, derelicts, etc., are obtained by the Coast Guard from the Navy.

Duty 5. Operating as a part of the Navy in time of war or when the President shall so direct: This obviously is one of the most important duties of the Coast Guard. It is on this duty that the military status of that service is based. Due to this function the Coast Guard personnel enjoys the perquisites of a military service, such as military titles, pay, allowances, retirement for age and physical disability, etc. For this reason its officers receive a professional naval training similar in all respects to the training of naval officers. This duty links the Coast Guard closer to the Navy than to any other department. From the Navy the Coast Guard borrows the guns with which its ships are armed. From the Navy it obtains its small arms, uniforms for enlisted men, ammunition, and sometimes provisions. Repairs to Coast Guard vessels are as a rule made in navy yards, and funds for the building of new cutters are frequently obtained through naval appropriation bills. In fact, the Coast Guard is so closely allied to the Navy that there is no logical excuse for its existence as a separate service.

It is entirely naval in its administration and operation and properly should be administered under the Navy Department.

In reality the country is maintaining two navies, the Navy proper and the Coast Guard, which is in fact a small adjunct of the Navy, yet in time of peace operated and administered by a civil department without the cooperation necessary to make it fit completely into the Naval Establishment in time of war.

#### DUTIES NOT SPECIFICALLY DELEGATED TO ANY PARTICULAR DEPARTMENT.

Duty 1. Rendering assistance to vessels in distress and saving life and property: This duty is the most important peace-time duty of the Coast Guard. It consists of assisting vessels disabled off our coasts and assisting vessels which have stranded on our shores. The law provides that it can be performed by any number of public vessels designated by the President.

This work is performed by seagoing Coast Guard vessels cruising along our coasts during the season of severe weather and at such other times as calls for assistance may be received. These vessels render assistance to ships which have become disabled at sea and also ships that have stranded on our shores. In conjunction with the ships that perform these duties at sea, there are operated nearly 300 life-saving stations and houses of refuge, which render assistance to vessels from the land by surf boats and breeches buoys.

This work does not necessarily require a specially designed vessel. A vessel engaged in this duty should, however, possess certain prime requisites. It should be very staunch and seaworthy, capable of withstanding the most severe conditions of weather and sea. It should be powerfully engined and equipped for deep-sea towing and for pulling stranded vessels into deep water, but of comparatively light draft. It should have large fuel capacity and be of comparatively high speed to give it a large cruising radius and ability to get to the scene of a disaster with the least loss of time.

The personnel engaged in this work should be well trained in seamanship and navigation and seasoned by seagoing experience.



Any ships possessing these requisites and any personnel possessing the qualifications mentioned above can efficiently perform this duty.

Naval ships and naval personnel can be used, and by transferring to the Navy the Coast Guard officers, men, and ships, this can be taken up by the Navy with practically no difficulty. It should be remembered that Coast Guard officers have had fundamental naval training and that they would prove of material value in many lines of naval activities, particularly at this time when the Navy is in dire need of trained experienced officers. The value of Coast Guard officers to the Navy has been amply demonstrated during the war.

Duty 7. Enforcement of laws relative to immigration, quarantine, and neutrality: The enforcement of these laws is placed in the hands of officers of the Customs Service, officers of revenue cutters (Coast Guard cutters) and military officers commanding in any fort or station on the coast. The enforcement of neutrality in our territorial waters is placed in the hands of the land and naval forces.

Any one of the land or naval forces can legally enforce these laws, and it is therefore not incumbent upon the Coast Guard especially to perform this duty.

Duty 8. Suppression of mutinies on merchant vessels: There is no provision of law delegating this duty to any particular department.

This is a police duty on the sea that can be performed by the Navy just as well as by the Coast Guard.

Duty 13. Administering oaths generally in Alaska: This duty is performed principally in the interests of the Department of Justice.

In the early days of Alaska as a United States possession there was need of such provision, but now the various departments are satisfactorily represented at all centers of population in Alaska, so that the need of this provision is practically nil. The courts of Alaska are established at various places, and the traveling court has available commercial transportation to take it anywhere it needs to go. Where such transportation is not available a naval vessel assigned to the Bering Sea patrol could perform this duty, naval officers being authorized to administer these oaths.

Summing up the duties classified as not being delegated to any particular department, we can logically conclude that all of them could be as efficiently and economically performed under the Navy Department as they are now performed under the Treasury Department by the Coast Guard.

Particularly is this true of the most important peace-time duty of the Coast Guard—assistance to distressed vessels.

#### IMPORTANCE OF DUTIES.

The so-called Coast Guard duties can be reclassified, in the light of modern conditions, into two classes: Important duties and incidental duties, as follows:

#### IMPORTANT DUTIES.

1. Rendering assistance to vessels in distress and saving life and property.
2. Destruction or removal of wrecks, derelicts, or other dangers to navigation.
3. Protection of game and the seal and other fisheries in Alaska.
4. Operating as a part of the Navy in time of war, etc.



## INCIDENTAL DUTIES.

1. Protection of the customs revenue.
2. Extending medical aid to United States vessels engaged in deep-sea fisheries.
3. Enforcement of rules and regulations regarding anchorages of vessels.
4. Enforcement of laws relative to immigration, quarantine, and neutrality.
5. Suppression of mutinies on merchant vessels.
6. Enforcement of navigation laws and other laws governing merchant vessels and motor boats.
7. Enforcement of law to provide for safety of life on navigable waters during regattas and marine parades.
8. Enforcement of the sponge-fishing law.
9. Administering oaths generally in Alaska.
10. Collecting statistics regarding loss of life and property on vessels.

On analyzing the four important duties above listed it will be found that none of them are delegated by law to the Treasury Department, and it is only on these four duties that the existence of the Coast Guard can be justified.

Mr. MONTAGUE. You say those duties are not prescribed by law to be performed by the Treasury Department?

Capt. HARRISON. No, sir. For instance, the law in regard to assistance to vessels in distress, on which is based the orders to carry out the winter cruising of the Coast Guard, states that the President may direct that any number of public vessels be assigned to this work which would, of course, include naval vessels, and there is authority of law now for naval vessels to be employed in that work.

Mr. MONTAGUE. Has the President directed that the Coast Guard vessels do this particular duty?

Capt. HARRISON. It has been a matter of custom for years; yes, sir.

Mr. MONTAGUE. But has no regulation been issued to that effect?

Capt. HARRISON. I think the order is issued annually. I am not absolutely sure as to how the order is issued, but usually every year the vessels are given orders under the date of that year by direction of the President.

Mr. MONTAGUE. The law empowers the President, however, to make such assignments?

Capt. HARRISON. Yes, sir.

Mr. MONTAGUE. And he has made those assignments either annually or over a longer period.

Capt. HARRISON. Yes, sir.

Of the 10 duties classified as incidental, only four are delegated by law to the Treasury Department. Of these four duties, only one is really a function of that department, i. e., protection of the customs revenue. With the modern organization of the customs service, the absence of smuggling in bulk, the many customs officials actively engaged in detecting customs frauds, there is practically nothing for the Coast Guard to do in protecting the customs revenue. This condition is an outgrowth of improvements in Government administration; the advent of steamers, replacing sailing ships; and the advent of the telegraph and the wireless making communications almost instantaneous.

The other three incidental duties can be performed by naval vessels and naval personnel, as they do not in any way require the services of officers of the customs.



It must be concluded, then, that the transfer of the Coast Guard to the Navy Department would in no way be detrimental to the Treasury Department or to any of its functions.

There is only one of the important duties which is not specifically delegated to, or closely allied to, the Navy by law, i. e., rendering assistance to vessels in distress, which is the reason for the winter cruising of Coast Guard vessels. It is this duty which has prolonged the life of the Coast Guard after practically all its other peace-time duties have become obsolete or obsolescent. It is this duty which has brought to the Coast Guard the support of the mercantile marine when the existence of the service was threatened as it was in 1912 by the recommendation of the Cleveland Commission.

The law provides that the President may designate any number of public vessels to perform this service. Following custom and precedent, the President has heretofore designated Coast Guard vessels, but there is no logical reason why this service can not be adequately performed by naval vessels.

Closely allied to it, and really a part of this duty, is the maintenance and operation of the life-saving stations along our coasts. The work performed by the personnel of these stations is too well known to need explanation.

If transferred to the Navy these stations will prove of material military value in coast defense operations. Through these stations there is maintained a continuous patrol of our coasts. They are linked together by direct wire telephone and telegraph lines, giving a continuous system of communication directly under military control at all times. This is of great value in connection with naval aviation operations, as the aviators can keep in constant touch with their bases by this means. If the personnel of these stations is trained for military duties and is drilled in the operation of small arms and machine guns, they can prevent communication being established by small boats between our shores and enemy submarines or surface vessels. All these features have been demonstrated during the war, and while our coasts were threatened with raids by enemy submarines, the regular Coast Guard crews were augmented by naval personnel. This system of coast patrol can be brought to a high state of efficiency if it is permanently administered under the Navy Department.

Complete efficiency can not be obtained where training is directed in peace time by one department, and operation directed in time of war by another. The efficiency of the coast patrol was materially handicapped by the lack of military training on the part of the permanent Coast Guard crews.

Through experience gained in assisting vessels in distress at sea and stranded on our shores; in the destruction and removal of wrecks and derelicts, etc.; and in cruising in Alaskan waters, and among the Aleutian Islands, the Coast Guard officers have become highly skilled in seamanship and navigation. They have gained an intimate knowledge of all parts of our extended coast line. They have become thoroughly familiar with the pilotage of our harbors, and most capable of handling vessels in dangerous waters.

By transferring these duties to the Navy the young officers of that service will have the opportunity of gaining experience in this same



school, and there is no better school for the making of a seasoned, resourceful, seagoing officer. It will give them schooling they can get in no other way.

The Navy very greatly needs well-trained, seasoned, experienced officers, and by transferring the Coast Guard personnel to the Navy that need will be partly filled.

There are no better officers in the country to be had for this purpose, a fact which the Navy will readily acknowledge, and which has been demonstrated during the war. The courses of instruction at the Coast Guard Academy are similar in all respects to the courses taught at the Naval Academy; in most cases the same textbooks are used. These officers are capable of performing practically any naval duty commensurate with their length of service, and can be used in the Naval Establishment with great benefit to that service.

#### ECONOMICAL FEATURES.

I would now like to touch on the economical features of this project. The expense of performing the so-called Coast Guard duties will be reduced materially by the transfer. Administration of these duties can be placed in the various bureaus of the Navy Department, with practically little, if any, increase in the personnel of these bureaus. Supplies can be obtained and repairs and construction of new vessels accomplished in navy yards. There would be no need of new construction for many years to come, for the Navy now has many vessels constructed or purchased for war purposes which would be entirely suitable for Coast Guard work. This would result in a saving of approximately a million dollars per year for the next 15 or 20 years. There would be no need of many of the outlying adjuncts of the Coast Guard, such as Coast Guard storehouses, the repair depot at Baltimore, Md., and the several division commander's offices.

The following offices, storehouses, and depot could be discontinued:

	Annual expense.
Coast Guard Academy, New London, Conn.....	\$219, 298
Coast Guard headquarters, Washington, D. C.....	242, 588
Repair depot, Arundel Cove, Baltimore, Md.....	49, 165
Division commander's offices:	
Boston, Mass.....	16, 351
New York, N. Y.....	168, 000
Key West, Fla.....	12, 743
San Francisco.....	15, 971
Seattle, Wash.....	12, 799
Coast Guard stores:	
New York.....	40, 517
San Francisco.....	13, 144
Total.....	790, 576

The CHAIRMAN. That does not agree with the statement filed in January, which made a total of \$446,500.

Capt. HARRISON. At the time I prepared that statement I did not have exact figures, and I was deliberately conservative in the estimate. I have since obtained the exact figures, and these figures which I am now giving are in accordance with the records of the Coast Guard headquarters. There is a difference of nearly \$300,000, and that difference is favorable to my argument.

Mr. MONTAGUE. What was the institution at Baltimore?



Capt. HARRISON. At Baltimore the service maintains a repair depot and also constructs some boats.

Mr. MONTAGUE. And you arrive at this economy by eliminating those various places?

Capt. HARRISON. By discontinuing the operation of those places and having the work done by the navy yard nearest the place where the ship is stationed.

The CHAIRMAN. You do not mean that there would be a total elimination and all of that amount would be saved?

Capt. HARRISON. I do not mean to say that every penny of this amount would be saved.

The CHAIRMAN. Or every dollar.

Capt. HARRISON. Or that every dollar will be saved, but I do contend that a large percentage of it will be saved. I would estimate the actual saving at about 65 per cent of this amount.

Mr. MONTAGUE. The work would have to be done by the Navy if you carried it to a navy yard?

Capt. HARRISON. Yes, sir.

Mr. MONTAGUE. Do we own the grounds at these various plants?

Capt. HARRISON. Yes, sir; the Government owns the ground at the depot at Baltimore, but I think that is the only ground owned at any of these adjuncts. The ground at New London, where the academy is located, is Government property also. It was an old fort, Fort Trumbull.

Mr. DEWALT. The saving would be largely in the overhead charge, would it not?

Capt. HARRISON. Yes, sir; because the Navy carries out these same functions on a very much larger scale, and, naturally, like any organization, there must be a certain factor of safety, and the factor of safety in an organization of the size of the Navy will almost, if not entirely, absorb this expense of the Coast Guard overhead without any further appropriation from the Congress.

Mr. DEWALT. There would not be much saving in the actual personnel in the Coast Guard, and you do not contemplate that?

Capt. HARRISON. No, sir.

Mr. DEWALT. Nor would there be much saving in the material that is used.

Capt. HARRISON. There would be some saving in the materials used on account of the system of the Navy in buying supplies in large quantities. They can buy them cheaper than the Coast Guard can buy them in small quantities.

Mr. DEWALT. That might be so, but generally speaking, the saving, I presume, would be in dispensing with the unnecessary efforts at these various substations and the concentration of those efforts in larger places under naval authority.

Capt. HARRISON. Yes, sir; that is correct.

Mr. DEWALT. Therefore, it would be a matter more of the overhead charge than anything else.

Capt. HARRISON. Yes, sir.

The CHAIRMAN. Personally, I do not see why it would not be possible to abolish these stores and depots and have them put under the Navy. I do not know why that could not be done in the interest of economy.



Mr. DEWALT. I should think it would be better all around. I think it would promote better facilities all around. I think there is a great deal in what the gentleman says, and there would be a saving in the actual cost because if the Coast Guard buys these supplies in small quantities and the Navy Department buys them in very much larger quantities, the probabilities are they can buy cheaper by reason of that fact.

Mr. MONTAGUE. You buy wholesale at all of these places, do you not?

Capt. HARRISON. I can give you a concrete example of one instance. Take the matter of rations. I have figures here based on six months' expenditure for rations with comparative figures of the cost to the Navy and to the Coast Guard for these rations. For the period from July 1, 1919, to December 31, 1919, the average cost of the Coast Guard ration was 81.52 cents. The Navy's average cost was 68.68 cents—a difference or a saving of 12.84 cents per ration during that period.

Mr. MONTAGUE. Was the ration the same for both services. I mean was it substantially the same material.

Capt. HARRISON. Yes, sir.

Mr. MONTAGUE. And the same quantity?

Capt. HARRISON. Yes, sir. The Coast Guard ration is based on the Navy ration.

Mr. MONTAGUE. Are they given the same ration?

Capt. HARRISON. Yes, sir. The allowances are computed—

Mr. MONTAGUE (interposing). I am not talking about the allowances but the ration itself. Do you eat the same things in both of these services?

Capt. HARRISON. Yes, sir; and the very best food that can be purchased.

Mr. MONTAGUE. You could easily account for the discrepancy by one service having a better table than the other.

Capt. HARRISON. There may be some difference in the preparation of the food, because the Navy has better cooks than we can get. We pick up our cooks from almost anywhere along the coast, and the Navy has better cooks generally than we have. They also have a training school for cooks and we have not.

The difference in cost is 12.84 cents. During that period the Coast Guard issued 316,330 rations, and the saving, if all this material had been bought under Navy contracts and under the Navy supply system, for six months would have been \$40,616.81, or an annual saving of \$81,233.62 in the cost of rations alone. That is a concrete example of the advantage of buying in large quantities.

Mr. DENISON. You say the Coast Guard Academy at New London could be disposed of?

Capt. HARRISON. Absolutely.

Mr. DENISON. What would take its place?

Capt. HARRISON. The Naval Academy.

Mr. DENISON. But the Naval Academy can hardly take care now of what they have.

Capt. HARRISON. That is an unusual condition, and I do not think they need worry much about that, because our average number of cadets in the Coast Guard, per class, will hardly run over 10 men.



Mr. CAMPBELL. And it costs \$219,000 a year to take care of those men?

Capt. HARRISON. Including, of course, some expense for the training of the men. As to the training of the men, as you all know, the Navy has several elaborately equipped and efficient training stations at points which are more advantageous than having to draw them all from one place. If they want men for the Pacific coast, they have a training station on the Pacific coast. They also have one on the Great Lakes; they have one at Newport; and they have one at Norfolk, and our men could be drawn from them without the continuance of any training activities as a separate institution. The Coast Guard academy could be absolutely abolished with all of its activities at a total saving without question of \$219,298. That would be absolutely a saving.

The administration of Coast Guard operations could be carried on in the offices of the naval district commandants without increasing the personnel of those offices, except that a former Coast Guard officer should be assigned to duty in each district as an aid to the commandant for Coast Guard duties. This, however, is a matter of detail and does not concern this general discussion.

It is believed that if the question of operating expenses is worked out in detail with the official records of the Coast Guard available for investigation it can be shown that the saving to the Government by reason of this transfer will be between eight hundred thousand and a million dollars per year; besides, there will be no need of constructing new vessels.

Information on this question of economy can be obtained by reference to the report of the President's Commission on Economy and Efficiency, 1912, Public Document No. 670, House of Representatives, Sixty-second Congress, second session.

Mr. DEWALT. Let me ask you one other question with regard to this matter of economy. Granted, for the sake of the argument, that the efficiency would be increased, and granted also, for the sake of the argument, that we would save in dollars and cents along the lines indicated, would there be any additional increased cost by reason of raising salaries and promotions in rank?

Capt. HARRISON. I do not think so, except—

Mr. DEWALT (interposing). That is one of the things that is brought up here very frequently.

Capt. HARRISON. Yes; and I think I can explain that. One thing is that the last pay bill included officers of the Coast Guard, the Public Health Service, and all similar organizations, and it put the Coast Guard on absolutely the same status as the officers of the Navy. So when we go over and are commissioned in the Navy, rank for rank, there is absolutely no increase of expense for the grade that you get. Some of the officers of the Coast Guard will be promoted by this transfer probably one and in some cases two grades, because our promotion for years past has been very slow, and we have officers with years of service who are low in rank, who are thoroughly qualified and competent to hold the higher rank, and in the promotion they will gain they are only getting what they deserve for faithful service for many years.

Mr. DEWALT. Granted that that is true, you are now talking about economy.



Capt. HARRISON. Yes, sir.

Mr. DEWALT. What would be the increase in the salary list?

Capt. HARRISON. I have not the exact figures on that, but I do not think in the end there would be any increase, because of this fact: The Navy has a quota of officers allowed, based on its enlisted strength. It has an authorized strength of 143,000 men. On the basis of 143,000 enlisted men, they have a certain proportion of officers (5,720). They have far below their quota in each grade of the Navy, because of a shortage of officers. Now, eventually the Navy will fill its quota of officers.

Mr. DEWALT. Not if the resignations keep coming in as they are now.

Capt. HARRISON. That is a difficulty they are facing, and that is one reason they need officers in the service to take the places of some of those who are resigning.

Mr. DEWALT. That is right.

The CHAIRMAN. In that connection—

Capt. HARRISON. To finish my example, please, they have a certain fixed number of officers allowed. They have not got them. The Coast Guard officers will go in and fill up some of the existing vacancies in the Navy line. Now, if the Navy fills its quota of officers, there is a certain fixed expense—the pay of 5,720 officers. At the same time, if you have a separate Coast Guard, you have the expense of 270 officers, the allowance of the Coast Guard, and its enlisted personnel added to the fixed expense of the Navy. Therefore, by putting our officers and men into the Navy to fill existing vacancies, there is absolutely not one cent of increased expense.

Mr. STINESS. Before the passage of the pay bill, which was passed a few weeks ago, there was a difference between the pay of the officers and the enlisted men of the Coast Guard and those of the Navy, was there not?

Capt. HARRISON. Some slight differences, but, as far as the officers were concerned, they were exactly the same. We were getting the same pay. The recent pay bill increased our pay, as it did the Navy pay.

Mr. STINESS. When you made your computation that 86 per cent, I believe you said, of the officers favored this change, there was a difference outside of the war-time pay between the pay of the Coast Guard and the Navy, was there not?

Capt. HARRISON. In the respect of 10 per cent increase for sea duty only. Our pay was exactly the same as the Navy before the war. Take it before the war, as an example—

Mr. STINESS. I am talking about before the war.

Capt. HARRISON. Our pay was on the same scale as the Navy, rank for rank. The law said it should be the same as the Army, but all four of the services, including the Marine Corps, get the same pay for the same rank, except the Coast Guard officers did not get the 10 per cent increase when they were on sea duty.

Mr. STINESS. I think at the time we had the last hearing on this matter it was stated that a great cause of complaint among the Coast Guard officers was that they did not get the same compensation that the Navy got.

Capt. HARRISON. That is not the fundamental contention of the officers of the Coast Guard at all, sir.



Mr. STINESS. Was there not testimony given at the hearing before that they were dissatisfied because they did not get the same pay as the Navy?

Capt. HARRISON. No, sir; that was produced by the opposition.

Mr. STINESS. I do not care who produced it; was not that a fact that was testified to?

Capt. HARRISON. Yes, sir; it was testified to by the people who were opposing the measure, but it is not testified to by the 86½ per cent of the officers whom I represent.

Mr. DENISON. How can the two classes of officers differ as to the amount of pay they receive?

Capt. HARRISON. They do not differ. The percentage of officers that I have mentioned—86½ per cent—is simply a numerical division of opinion on the question of transfer to the Navy, and has nothing to do with their pay at all. They are all on the same status as to pay.

Mr. DENISON. But how could they differ in their testimony as to the amount of pay they are receiving?

Capt. HARRISON. There was not a difference in the testimony on that point.

Mr. DEWALT. As I understand it, it was only an argument proposed by the other side, stating they were dissatisfied, not that there was actual cause for the dissatisfaction because the pay was the same.

Capt. HARRISON. I do not like to go back to those arguments.

Mr. STINESS. But we do.

Mr. DENISON. I may have misunderstood you, Captain, but I understood you to say that those who were opposed to the measure testified at the former hearing that they were dissatisfied and that that dissatisfaction arose out of the difference in pay.

Capt. HARRISON. There is no doubt that dissatisfaction existed when there was a difference of pay, but that was not the fundamental reason for proposing this project.

Mr. STINESS. I had not gotten as far as that. I was simply asking you about the facts. At the hearings here it was testified that they should be on an equality with the Navy in regard to pay.

Capt. HARRISON. Yes, sir.

Mr. STINESS. Now, was not that true at the time you sent out your queries to the officers as to whether they favored going into the Navy or remaining in the Coast Guard?

Capt. HARRISON. No, sir; the query was sent out after the hearing on the previous occasion.

Mr. STINESS. I think the testimony will show that you said there was a large percentage—I do not remember the exact percentage—that wanted to go into the Navy. Whether it was 86 per cent or not, I do not know.

Capt. HARRISON. Yes, sir. That was before the query was sent out. There was no query sent out until after the hearing on the bill which Mr. Campbell introduced at the last session of Congress.

The CHAIRMAN. Referring to the testimony, Judge Dewalt asked Capt. Bertholf:

Is your service on an equality with the Army and Navy service, strictly speaking, so far as the pension and retirement pay is concerned?

Capt. BERTHOLF. Not altogether.

Mr. DEWALT. Is there a distinction in your favor or against you?



Capt. BERTHOLF. Against us.

Mr. DEWALT. In what regard?

Capt. BERTHOLF. We have the same pay as the corresponding grades of the Army. The Navy gets the same base pay, but a naval officer on sea duty gets 10 per cent in addition. Our officers are now serving on naval ships with them and doing the same duty while the war is on and they do not get that 10 per cent.

Mr. DEWALT. That is a distinction against you?

Capt. BERTHOLF. That is against us.

That is what you had reference to, Judge?

Mr. DEWALT. Yes, sir.

Mr. STINESS. That was one of the causes of dissatisfaction, particularly among the younger officers, to remaining in the Coast Guard Service?

Capt. HARRISON. No, sir.

Mr. STINESS. My memory is entirely at fault.

Capt. HARRISON. I do not mean to contradict when I say no, but I think that I have all the opinions of the officers who are in favor of this project and that factor has not entered into the discussion at all. The 10 per cent increase for sea duty was accomplished in the naval appropriation act, I think, of 1919.

Mr. DEWALT. Permit me to interrupt you a moment?

Capt. HARRISON. Yes, sir.

Mr. DEWALT. The Coast Guard gets the additional per cent for length of service?

Capt. HARRISON. Yes, sir; 10 per cent increase for every five years of service.

Mr. DEWALT. In other words, they get the same increase that the naval men do?

Capt. HARRISON. Yes, sir.

The CHAIRMAN. The longevity pay is the same?

Capt. HARRISON. Yes, sir.

The CHAIRMAN. Do you wish to make any further statement?

Capt. HARRISON. I can go on and explain those units which we propose to abolish under this project, and how that work can be done with less cost, if you desire me to do so.

Mr. STINESS. I just want to ask one more question. What is the force of officers and men in percentage now as compared to the number required; how many vacancies have you at present?

Capt. HARRISON. In the Coast Guard?

Mr. STINESS. Yes, sir.

Capt. HARRISON. Our total allowance of commissioned officers is 270, and we have 212. These allowances, however, are not fixed allowances. Our enlisted personnel is about 6,000 fully recruited, and, I think, we have more nearly 4,000 now; probably between three and four thousand.

Mr. STINESS. You have 2,000 vacancies then?

Capt. HARRISON. Yes, sir.

Mr. STINESS. Since the passage of the pay bill has there been any increase in the enlistments?

Capt. HARRISON. I do not think that there has been quite time enough elapsed for any statistics to come in.

Mr. STINESS. What is the percentage of vacancies in the Navy of enlisted men and officers?



Capt. HARRISON. I am not qualified to answer that question.

Mr. STINESS. It is very large, is it not?

Capt. HARRISON. I would rather not give any statistics on that point because naval officers can be called who can give you the exact data.

Mr. STINESS. Have you not vessels in the Coast Guard Service that are not in commission because you can not get the men to man them?

Capt. HARRISON. Yes, sir; I think there are four or five out of commission.

Mr. STINESS. If you had the additional four cutters they would not be any good at present, with no men to man them?

Capt. HARRISON. Unless we can get the men to man them; no, sir.

Mr. DEWALT. I think it is pretty generally admitted that that applies not only to the Coast Guard but that it applies to the entire naval service.

Mr. STINESS. And to the Army.

The CHAIRMAN. And to the Lighthouse Service and to every other service.

Mr. DEWALT. It is not the fault of the system; the men will not enlist.

Mr. STINESS. You say that the Coast Guard should go into the Navy. Should not the Lighthouse Service go into the Navy in the same way?

Capt. HARRISON. I am of the opinion that every floating activity of the Government should be under one administrative head; every activity that uses nautical equipment should be under one administrative head.

The CHAIRMAN. Including the Bureau of Fisheries?

Capt. HARRISON. Yes, sir.

The CHAIRMAN. And the Coast and Geodetic Survey?

Capt. HARRISON. Yes, sir.

The CHAIRMAN. And the Public Health Service?

Capt. HARRISON. No; it has no floating equipment.

The CHAIRMAN. Does it not have some quarantine stations?

Capt. HARRISON. They are what are called hulks, anchored and never moved and not officered or manned by sailors.

Mr. STINESS. That is undoubtedly true of a lot of vessels of the Coast Guard Service at the present time.

Capt. HARRISON. Shall I proceed, Mr. Chairman?

The CHAIRMAN. Yes, sir.

Capt. HARRISON. We are prepared to show some figures on the economy feature, and I would simply repeat my statement by the fact that there is material economy in the project.

The increased efficiency claimed for this project is to be accomplished by coordination of Coast Guard functions with similar functions of the Navy and the administration of these functions under one executive head.

The office of general administration in Washington officially designated as Coast Guard headquarters has subdivisions which have, in general, cognizance of the following administrative details: (1) Operations, (2) Matériel, (3) Personnel, (4) Construction and Repair, (5) Engineering, (6) Accounts, (7) Communications, (8) Inspection.



Mr. DEWALT. Permit me to interrupt you. You intend to incorporate in your testimony the items in reference to economy?

Capt. HARRISON. Yes, sir; and also other officers who have intimate knowledge of the question will be able to give you figures. I could give you a lot more, but I had rather not take the time.

Mr. DEWALT. Just so we get them.

Capt. HARRISON. Yes, sir.

Taking the Division of Operations, this subdivision has cognizance of the details of operating the equipment of the service in the performance of the various duties attached to the service. It has at its head a civil official designated as the Chief of Division of Operations, who is assisted in the details of his work by a number of clerks.

On accomplishment of this proposed transfer the work of this subdivision would be transferred to the Office of Naval Operations, and the present head of this subdivision would become an assistant to the Chief of Naval Operations, in the operation of the duties now performed by the Coast Guard, making practically no difference in the manner of operation, except to make available for use in these duties better and more abundant equipment, particularly with respect to floating equipment. Under this arrangement there would be several vessels available in each naval district to render assistance to vessels in distress, and to assist the Customs Service, whereas, under the present system there is only one Coast Guard vessel in each district for deep-sea cruising. In some of the harbors there is a harbor vessel for this purpose, but not in all harbors.

Furthermore, the vessels made available by this merger are modern, fast, and generally more efficient than the present Coast Guard vessels, which are few in number and generally in need of repairs (some of them extensive repairs). The recently-built mine vessels of the Navy are admirably suited for assisting vessels in distress, being superior in speed, design, and equipment to any vessel the Coast Guard now operates in this work. These mine vessels would not require as many officers and men to efficiently operate them as are required on the Coast Guard vessels.

This feature will achieve considerable economy in personnel and in construction, repair, and upkeep of vessels.

On that point I can also give you a few figures.

Taking statistics for the mine sweeper class as compared with the typical Coast Guard cutter I have these figures: The number of officers, normal complement of new mine sweeper, is 4 on home duty or 5 on foreign duty, as compared with a typical Coast Guard cutter which carries, on an average, 6 commissioned officers and 4 warrant officers. The number of crew of a mine sweeper normal complement for ordinary cruising war complement 67 men as compared with a complement of a typical Coast Guard cutter 84 men. The cruising radius, economical speed at 10 knots is 6,222 miles for a mine sweeper and the cruising radius of the Coast Guard cutter varies depending whether they are using oil or coal. The oil burner has a greater cruising radius than the coal burner. I can not give exact figures. The cost of fuel consumption for the average 100 miles cruising of a mine sweeper is \$120 with oil at \$4 a barrel or \$1.20 per mile. The typical Coast Guard cutter burns 7 tons of coal for the 100 miles. The expense of the fuel consumption depends on the locality.



Taking the vessel which is stationed at Norfolk, she obtains her coal from the Navy at \$4.50 a ton. A vessel operating at other points along the coast, for instance, at Portland, Me., has to pay \$13 or nearly \$14 a ton for coal, at Seattle, Wash., they have to pay \$20 a ton, at Unalaska \$40 a ton, and at Nome \$50 a ton. At the other intermediate ports along the coast the price varies, but I do not know of any case where it is under \$10 a ton and the Navy's contract price for coal is much less. I think it can be shown that the saving in the fuel consumption, if purchased from the Navy or obtained from the Navy, would be 20 per cent or 30 per cent, at least. The cost of operation for one month of a mine sweeper, cruising 2,000 miles, with the pay of the officers and crew and with the cost of the ration is \$5,000 a month. The typical Coast Guard cutter doing the same work, cruising 2,000 miles with the pay of the crew and officers and the ration included runs \$9,958. The complement of officers' pay is based on the old pay scale. If you base it on the new pay scale the cost will be increased. There is a difference in this particular case of nearly 40 per cent in favor of using the mine sweeper. I think it would be adduced from the testimony that the mine sweepers are very nearly ideal vessels for salvage work at sea.

The Division of Matériel at Coast Guard headquarters has cognizance of the details of purchase and distribution of supplies for the various units of the service. It has at its head a civil official designated as Chief of Division of Matériel, who is assisted by a commissioned line officer and a number of clerks. On accomplishment of this proposed transfer, the work of this subdivision would be transferred to the Bureau of Supplies and Accounts, and the present head of this subdivision would become an assistant to the chief of that naval bureau. The services of the commissioned line officer and some of the clerks would not be needed after the merger takes place, and they could be assigned to other work. This merger makes available for purchase and distribution of supplies the adequate organization of the Bureau of Supplies and Accounts; it makes unnecessary the maintenance of the present Coast Guard stores at New York and San Francisco, both of which are located within a very short distance of navy yards.

The Coast Guard store at New York is maintained at an annual expenditure for overhead, salary of officers and men, rent, and so forth, of \$40,517. It is just opposite the Brooklyn Navy Yard, where practically every item of supply that store carries is also carried in the navy yard. The activity of that store would not necessarily be concentrated in the New York Navy Yard. For instance, a vessel at Key West wanting stores, under our present system the requisition for those stores is sent to New York, where it is filled, and there must be added the expense of the transportation of the supplies from New York to Key West, while under this arrangement most of the supplies could be obtained at the navy yard without any additional cost for transportation, and also the saving of the cost of naval equipment and a great deal of time. They buy under contract, in large quantities, the material at less than we can buy it.

The Navy carries a stock of supplies at the various navy yards that includes every item of equipment needed for Coast Guard use, except beach apparatus which is purchased by contract. These



supplies being purchased in large quantities can be obtained at a more advantageous price than they can be obtained in small quantities by the Coast Guard. These navy yards being located at convenient points, the distribution of supplies can be more advantageously and less expensively accomplished than under the Coast Guard system. As a matter of fact, the Coast Guard already obtains a large part of its supplies from naval supply depots, especially clothing, provisions, and ammunition.

Also, by obtaining supplies from navy yards the executive officer of a vessel and the district superintendent of a Coast Guard district are relieved of the clerical work incident to obtaining proposals for small quantities of supplies in the local markets, thus allowing them more time to devote to their strictly technical professional duties. Attention is invited to the fact that the headquarters of the Coast Guard vessels are all located in close proximity to navy yards, and in most cases in the same port.

Personnel: This subdivision has cognizance of the assignment to duty, service records, promotion, and leaves of absence, etc., of the service personnel. Its functions are identical with the functions of the Bureau of Navigation of the Navy Department, and on the accomplishment of this proposed transfer, this subdivision would be absorbed by that bureau with considerable reduction of personnel. For a reasonably short time a former Coast Guard line officer would have to be detailed to duty in the Bureau of Navigation to familiarize the naval personnel with the detail of Coast Guard personnel, etc., but after the reorganization incident to the merger is completed the bureau would need no additional personnel to handle the work now done by this subdivision. At present the work of this subdivision is administered by two or three officers and a number of clerks, who on accomplishment of the merger could be assigned to other duty.

Mr. DEWALT. Will you stop there just a moment?

Capt. HARRISON. Certainly.

Mr. DEWALT. I was rather surprised to hear a comment on the part of Mr. Marvin in reference to the personnel of the Coast Guard along the beach. He said that there was a lack of discipline and possibly of high morale, due, as he said, to the individual characteristics of the men who were in the service. Do you find that to be a fact?

Capt. HARRISON. No, sir; I do not. I was rather surprised to hear Mr. Marvin say that.

Mr. DEWALT. I expressed some surprise.

Capt. HARRISON. I have nothing but the highest esteem for the personnel of the life-saving stations. They are men well worth that esteem in all respects.

Mr. DEWALT. I may have misunderstood him, but you understood him as I did?

Capt. HARRISON. Yes, sir. I know that there is an endeavor to have the discipline at the stations strict and at the same time humane. You see, the life-saving personnel of the Coast Guard was formerly in the Life-Saving Service and have only been with us a short time. Five years ago they became amalgamated. You can not turn things over in that respect in five years and get everything working ac-



ceptably. Those men have their ideas and ideals different from an officer trained from the beginning in the military service, and allowance must be made for the characteristics of those men. We are very proud of them.

Mr. STINESS. Are not the surfmen generally people who belong and live in the vicinity of their duties?

Capt. HARRISON. Yes, sir.

Mr. STINESS. They are farmers and fishermen who have just been taken from the ordinary families in the districts?

Capt. HARRISON. Yes, sir; they are taken from that source with an effort, of course, to pick men with the most experience in the handling of boats in the surf. An effort is made to obtain a man from the locality in which he is to serve, because of his local knowledge. The job of being a surfman is a specialty.

Mr. STINESS. Is not the service attractive to those people because it leaves them near their homes and families?

Capt. HARRISON. Yes, sir; it is attractive to them. Now that the pay bill has been passed, I have no doubt but what there will be a good many men come to the service, a good many that left by reason of not being able to live on the old salaries; they will come back—we hope they will, anyhow.

Construction and repair: This subdivision has cognizance of all matters pertaining to design and construction of hulls, deck equipment, and all other appurtenances of vessels, except engineering appurtenances. It also has cognizance of design, construction, repair, and upkeep of life-saving stations and their appurtenances. Its functions, with respect to vessels, are identical with the functions of the Bureau of Construction and Repair of the Navy Department, and with respect to life-saving stations, its functions are duplicated in the Bureau of Yards and Docks of the Navy Department.

It has at its head a senior captain, who is assisted by two or more officers, who are his technical advisors, including a naval architect, and a civil engineer. This subdivision also employs a number of clerks and draughtsmen. On accomplishment of the merger, this subdivision would be absorbed by the two bureaus mentioned above, with some reduction of personnel, allowing the line officers now employed in this work to be assigned to regular line duty. As a result of this merger, the vessels which are to be employed in the execution of these so-called Coast Guard duties can be designed and constructed so that they can not only efficiently perform these duties, but will be instantly available to perform offensive and defensive operations in time of war. The faults of the existing system were forcibly demonstrated during the war just closing. On the declaration of war, when the Coast Guard vessels were turned over to the Navy for war duty, they were almost without exception found to be structurally unsuited to mount guns of the proper caliber for the work required of them. This entailed weeks, and even months of delay, while their hulls were strengthened to mount these larger caliber guns. Because the vessels did not carry the proper guns during peace time, the crews could not be trained to handle the guns they had to man during the war. This training had to be accomplished after the declaration of war, entailing a further delay in making these vessels truly efficient for war duty. The law requires the Coast Guard to operate as a



part of the Navy in time of war, and implies that its personnel shall be trained, and its equipment designed, with that requirement in view.

**Engineering:** This subdivision has cognizance of all matters pertaining to design and construction of propelling machinery of cruising vessels, harbor vessels, and power lifeboats, and other mechanical appurtenances of the service.

Its functions are identical with the functions of the Bureau of Steam Engineering the Navy Department. The engineer in chief of the service is the head of this subdivision and has as assistants two or more officers, including a constructor of machinery, and besides several clerks and draftsmen.

On accomplishment of this merger, this subdivision would be absorbed by the Bureau of Steam Engineering, with considerable reduction of personnel, resulting in two or three officers and a number of clerks being released for other duty. This merger will bring about a coordination of functions which will improve the efficiency of operations of these duties.

**Accounts:** This subdivision has cognizance of the pay accounts of the personnel and the payment of public bills incident to the service operations. Its functions are identical with the functions of the Bureau of Supplies and Accounts of the Navy Department. At the head of this subdivision is a line officer who is assisted by a number of clerks. On the accomplishment of the merger, this subdivision would be absorbed by the bureau mentioned with a material reduction of personnel, the line officer being released for regular duty. The burden of the work now performed in this subdivision will be so distributed among the paymasters and accounting officers throughout the Navy that it will throw very slight additional work on them, so slight in fact that only a very few of the clerks now employed by the Coast Guard will be needed.

This merger will also relieve the various collectors of customs of the work they now perform in handling the pay rolls of the vessels stationed in their ports.

**Communications:** This subdivision has cognizance of the construction, maintenance, and operation of the service communication system, which connects by telephone the Coast Guard stations along our coast line. The work of this subdivision is closely allied to the naval communication system and plays a large part in the operations of coast defense in time of war. This subdivision would be absorbed into the Division of Naval Communications, of the Bureau of Operations of the Navy Department, with considerable reduction of personnel. It has at its head a line officer who is assisted by several other line officers and a number of clerks.

The operation of this coastal communication system will be of great value to the Naval Establishment, which is charged with our problems of coast defense. To make this system thoroughly efficient for war purposes, it should be controlled at all times by the Navy, in order that the equipment may be designed and operated to meet the demands made on it by war conditions, and that the operating personnel may be trained in naval signal codes, and that they may be thoroughly disciplined and indoctrinated with the importance of secrecy and accuracy in handling military information. This can



not be accomplished under present arrangements, wherein design, construction, and operation of the system is controlled in peace time by a civil department, and operated by a military department in time of war. The arrangement is inconsistent with the principles of efficiency.

**Inspection:** This subdivision has cognizance of the inspection of all matériel and personnel of the service. It has at its head a senior captain, who has as his representatives in the field, a number of line officers, designated as assistant inspectors, located in the various Coast Guard districts. The inspector in Coast Guard headquarters controls the activities of these assistant inspectors in the field. The work of these assistant inspectors is in a large measure a duplication of the work of the district superintendents. On the accomplishment of this merger, all the work of this subdivision could be distributed among the various naval districts, where it could be efficiently performed by a former Coast Guard officer as an aid to the district commandant, who, in addition, could perform all the duties now assigned to the Coast Guard division commanders. This subdivision could readily be abolished without harmful effect.

The Coast Guard maintains and operates an academy for the training and instruction of cadets, aspirants for commissions in the service. This school is, in all respects, a miniature naval academy, following very closely the course of training in vogue at the Naval Academy, using the same text books and methods of training. On the accomplishment of this merger, this school can be abolished and the duties that heretofore have been performed by young officers of the Coast Guard can be performed by young naval officers, with equal efficiency, for there is nothing special in the training of Coast Guard officers.

By assigning young naval officers to these Coast Guard duties, there opens a field of training for these officers in seamanship and coastal navigation on small craft that is unsurpassed; it being understood, of course, that the vessels engaged on this duty will be in command of former experienced Coast Guard officers to insure the efficient performance of these duties.

The Coast Guard maintains at Arundel Cove, near Baltimore, Md., a repair depot, which is, in fact, a miniature navy yard. This depot is located in an inconvenient and isolated place, involving additional expense in obtaining materials, besides making it necessary to send vessels for long distances for repairs. If this merger is accomplished, this repair depot can be abandoned and the work now done there can be done at the navy yard nearest the headquarters of the vessel or other equipment to be repaired. For example, a vessel stationed at Portland, Me., could obtain all needed repairs at the Boston Navy Yard, which would not only save the expense of sending the vessel from Portland to Baltimore and back again, but would make available for use in this repair work the superior equipment of the navy yard. Just before war was declared a Coast Guard vessel was sent from Astoria, Oreg., through the Panama Canal to Baltimore for repairs, passing en route the navy yards at San Francisco, Calif., Charleston, S. C., and Norfolk, Va. If this vessel had been under the Navy she would have been sent to Bremerton Navy Yard, Wash., the expense of the trip



saved, and the repairs completed in a much shorter time. This does not seem to be good business management.

The Coast Guard maintains four division commander's offices located at Boston, Mass., New York, N. Y., San Francisco, Calif., and Seattle, Wash. The commander of each division is a senior captain, and is assisted by a captain of Engineers, and one or more clerks. On the accomplishment of this merger, these offices can be abandoned and the work done by the division commander can be done by a former experienced Coast Guard officer assigned to duty as an aid to the commandant of each naval district. Under this proposed arrangement, the division engineer would not be needed and could be assigned regular engineering duties.

In each district the officer acting as aid to the district commandant could handle efficiently the duties now performed by the present division commander and the assistant inspector, with the assistance of the present district superintendent, while the superintendent remains on active duty, and when the superintendent leaves active service, his duties can be efficiently handled by the supply officer and disbursing officer of the district.

This merger will reduce the number of officers now engaged in administering Coast Guard duties in the various districts, and will consolidate all matters pertaining to the operation of these duties under one head.

Outline of plan of reorganization: The following general plan of reorganization will accomplish this merger with beneficial results and insure the efficient performance of all duties now performed by the Coast Guard when transferred to the Navy:

First. Transfer all functions of Coast Guard headquarters to the Navy Department.

Second. Transfer all functions of Coast Guard Academy to Naval Academy.

Third. Transfer all functions of the division commanders to the office of the commandant of the naval district covering the present Coast Guard Division and detail a former senior Coast Guard officer to duty on the staff of each district commandant as an aid, having supervision of the operation in these districts of all duties transferred to the Navy by this merger.

Fourth. Transfer all functions of Coast Guard stores to supply department of the nearest navy yard.

Fifth. Abandon the repair depot at Arundel Cove, Baltimore, Md., and have all repair work done in the navy yard nearest the headquarters of the vessel or equipment to be repaired.

Sixth. Coast Guard stations: Continue administration and operation under the Navy Department, with the same personnel now assigned to this duty, under the supervision of the aid for Coast Guard duties on the staff of each district commandant, this aid to be assisted in the field by the present district superintendent in each district. When the present district superintendent severs his active connection with the service, distribute his clerical duties among analogous offices in the district organization and detail a qualified chief boatswain, life saving, or boatswain, life saving (former keepers) to duty as inspector of stations.



Seventh. Cruising vessels: (a) Place in command of each seagoing vessel detailed to perform these so-called Coast Guard duties a former qualified Coast Guard officer; (b) detail to each such vessel as executive officer and navigator an experienced former Coast Guard officer, and place in charge of the engineer department of each such vessel a qualified engineer officer; (c) assign to each such vessel, as watch and division officers, junior Coast Guard and junior naval officers to perform the subordinate duties and to undergo a course of practical training to round out their theoretical training; (d) keep crew of such vessel intact as at present.

This arrangement will insure the efficient performance of the four important duties and will result in all young officers receiving a thorough, practical training in seamanship and coastal navigation. It will give them an intimate knowledge of our ports and their approaches, and will familiarize them with the dangers to be encountered in handling vessels in shoal waters and under stress of weather, and the methods best suited to avoid these dangers. It will greatly improve their professional qualifications, thereby increasing their value to the country.

This arrangement will produce a surplus of trained, experienced, seagoing officers formerly employed in subordinate Coast Guard duties, and this surplus can be detailed to naval duties, where these officers can serve to full capacity as executive officers of transports, gunboats, etc., and as navigators and engineer officers of any vessel. While serving on these naval duties they will gain practical experience in gunnery and modern large-caliber ordnance, in naval tactics, strategy, etc., making them in the course of a few years thoroughly competent and efficient naval officers in all respects.

In the course of a few years, when the present Coast Guard officers have severed their active connection with the service, all naval officers will have become thoroughly familiar with the performance of the duties now performed by the Coast Guard, and these officers having become, in performing these duties, indoctrinated with the spirit which has imbued the former Coast Guard officers in the performance of this work, will carry on the work as efficiently and as conscientiously as it is now done. They will be able to achieve even greater efficiency, because of having better and more abundant equipment.

Eighth. Harbor vessels and launches: (a) Place in command of these vessels former Coast Guard warrant officers, who as chief warrant officers and warrant officers will be thoroughly competent to carry out efficiently all duties assigned to these vessels; (b) keep the crews of these vessels intact.

These vessels perform all the duties required by law in the protection of the customs revenue, except on rare occasions, when it is necessary to overhaul a vessel on the high seas.

The efficiency of performance of these duties will be improved by detailing to this work some of the fast, modern submarine chasers that will become available on accomplishment of the merger. The use of these vessels will be of great value to the customs service in apprehending smugglers of opium, liquor, and Chinese on the west coast particularly, and in apprehending smugglers operating from Cuba and Mexico. The Coast Guard vessels now operated in this work are



too slow to prevent this smuggling and at present are of practically no assistance to the customs service in this respect.

#### CONCLUSION.

It is logical to assume that it is desirable to have all maritime functions of the Government requiring military administration under one executive department, and that department is obviously the Navy. The Navy Department affords the organization and equipment for the proper execution of all maritime military functions of the Government.

It has been shown that the Coast Guard has ceased to be an essential factor in the protection of the customs revenue; that its other duties are not concerned with the financial functions of the Government, and therefore not properly chargeable to the Treasury Department; and that the Treasury Department would in no way suffer by reason of the transfer of the Coast Guard to the Navy Department, but that it would be relieved of considerable expense not properly chargeable to it, and relieved of the administration of a military service which renders to it only slight service.

It has been further shown that the important duties of the Coast Guard are closely allied with the Navy Department and that the Navy Department can efficiently perform all such duties, with considerable saving to the Government.

It has been further shown that the Navy is in need of trained, experienced, seasoned officers, and that the Coast Guard officers possess the qualifications which make them of material value to the Navy.

It would therefore seem in the interest of efficiency, economy, and good government to permanently transfer the United States Coast Guard from the Department of the Treasury to the Department of the Navy, and that legislation should be passed to accomplish such transfer in accordance with the provisions of H. R. 5516.

Mr. STINESS. I should like to ask if the plan to turn the Coast Guard over to the Navy meets with the approval of the Secretary of the Navy?

Capt. HARRISON. I do not know; it is simply the consensus of opinion of the bulk of the officers of the Coast Guard.

Mr. STINESS. You do not know whether the Secretary of the Navy favors that plan or not?

Capt. HARRISON. No, sir; but there will be officers here who can testify to that effect.

Mr. STINESS. I should like to ask if there is any letter or communication from the Secretary of the Navy in regard to this matter? Mr. Campbell, have you it?

Mr. CAMPBELL. Yes, sir.

The CHAIRMAN. I have a letter.

Mr. DEWALT. What is your special line of duty?

Capt. HARRISON. At the present time I am assigned to duty as commander of a group of patrol vessels on the Florida coast, from the northern boundary of Florida to Alligator Reef, which is about 70 miles from Key West.

Mr. DEWALT. This is a little far afield from the subject, but we recently passed a bill appropriating a good deal of money for the



Coast Guard—additional vessels, etc. You speak of the field service. As I understand, one officer goes around to all the ports and travels along the coast examining lighthouses, lightships, buoys, and all that sort of thing. How often is that examination made, once a year?

Capt. HARRISON. I do not know of any of our officers who are connected with the inspection of lighthouses and buoys; that is under the Lighthouse Service.

Mr. DEWALT. I am talking about inspections by the Coast Guard.

Capt. HARRISON. We have in Washington a division of inspection, and that division has assigned to the various Coast Guard districts an assistant inspector, who represents the Washington office. These assistant inspectors make periodical inspections, and I think once in three months they visit each of the stations, or probably once in six months. I have never been detailed to that duty and do not know the details.

In reviewing my testimony I find certain questions asked relative to the economy of this project, particularly the question of Mr. Dewalt, to which I desire to give more detailed answer.

The proponents of this project claim that it will achieve economy along the following lines:

First. Elimination of duplications of administrative functions.

Second. New construction made unnecessary for many years.

Third. Coordination of Coast Guard duties with naval duties reducing the number of officers needed on each vessel assigned to perform Coast Guard duties, and making available a number of experienced officers to be assigned to other duties.

Fourth. The officers transferred from the Coast Guard filling vacancies in the Navy list, and Coast Guard enlisted men filling vacancies in the Navy enlisted personnel, resulting finally in the total elimination of the Coast Guard pay roll, except the pay roll of the life-saving station personnel.

We explain the economy of these items as follows:

Elimination of duplications: We have shown that the various Coast Guard administrative functions, academy, headquarters, division commander's offices, stores, and depot, cost annually \$790,576. Coordination of these functions with similar naval functions will materially reduce the personnel employed in them by the Coast Guard, saving that much of the pay roll; this surplus personnel being employed elsewhere as needed in other work. It would result in a saving in the purchase and distribution of supplies.

We conservatively estimate the actual saving under this item at \$500,000 per year.

New construction: The Coast Guard seagoing vessels have been materially reduced in number during the past six years. Construction has not kept pace with the loss, so that now there is needed at least six first-class vessels. Three such are now under construction, but even these, when finished, will leave the Coast Guard well below par as to its normal number of vessels. Also, as stated by Mr. Marvin, the merchant marine has expanded during the past three years from about 4,000,000 tons to about 15,000,000 tons.

The Coast Guard, the service to which this great fleet of merchant ships looks for protection and assistance, has not increased its facili-



ties for giving this protection and assistance, but, on the contrary, its facilities have been materially decreased. Consequently, if the Coast Guard is to efficiently perform its duties, if it is to adequately protect and assist this increased merchant fleet, there must be put into this work a greater number of vessels. There are two ways of doing this. Congress can make large appropriations for the building of the requisite number of ships, or use the ships of the Navy, already built and paid for, suitable for the work. At first thought, it might be said that these ships can be transferred from the Navy to the Coast Guard, but on more mature consideration it may not prove quite so easy or advantageous to the Government. The ships best suited for the real work of the Coast Guard were built for naval duties and are needed by the Navy in carrying out its plans and preparations for the national defense.

Naval officers in a position to speak authoritatively are of the opinion that these vessels can perform their naval duties and at the same time perform the deep-sea duties of the Coast Guard and assist stranded vessels, this Coast Guard work being excellent training for the Navy personnel. This training work must be carried on, and the Navy is not in a position to let these ships leave its control, as would be the case if they were turned over to the Coast Guard, operating entirely independent of the Navy. But if the Coast Guard is amalgamated with the Navy these ships could be used, as explained above, and no new ships need be constructed for this work for many years, and we estimate that this item will save at least half a million dollars per year for the next 15 or 20 years.

Coordination of functions: This is a point which is apparently not understood by many who are considering this project. I will try to explain in brief what the proponents of the measure mean when they claim economy in this respect.

Having in mind the type of vessel now used by the Coast Guard, with its necessary complement of officers and enlisted men, and the type of naval vessel which we suggest putting into the work, with its complement, we find as follows:

First. Officers and men necessary to efficiently operate the Coast Guard vessel, average:

Commissioned officers .....	5
Warrant officers .....	4
Enlisted personnel .....	80

Second. Officers and men necessary to efficiently operate the naval vessel, average:

Commissioned officers .....	2
Warrant officers, including pay clerk .....	4
Enlisted men .....	67

Third. Saving in personnel (if the naval vessels is used):

Commissioned officers .....	3
Warrant officers .....	0
Enlisted men .....	13

Fourth. The Coast Guard operates at present 14 first-class deep-sea vessels, each with a complement averaging the number given under first item. If naval vessels of the type suggested are used there will be released for strictly naval duty some 40 officers and some 200



men. This shows a saving in the personnel now employed in this work of about 60 per cent of the officers and about 20 per cent of the enlisted men. These officers and men could also be very readily used to man additional vessels placed in the work for the better protection of the increased merchant marine.

This same saving in commissioned officer personnel will occur throughout the reorganization as outlined in this project. Some Coast Guard functions can be absorbed by similar naval functions and the entire Coast Guard personnel released to other duty in the Naval Establishment and in other cases this saving would take place to a less degree. The only function of the Coast Guard that can not be reduced in personnel is the maintenance of the live-saving stations. However, in the administration of these stations there can be a saving in personnel by the elimination of duplications existing within the Coast Guard organization itself. For example, the elimination of the office of district superintendent, and the detail of Coast Guard line officers to duty as assistant inspectors. The work of these two offices could be placed under the commandant of each naval district under the commandant's aid for Coast Guard operations. The field inspection could be performed by a qualified live-saving warrant officer at less cost to the Government.

Coast Guard officers and men filling vacancies in the Navy list: The authorized enlisted strength of the Navy is 143,000 men, all ratings. The authorized quota of commissioned line officers of the Navy is 4 per cent of this number, or 5,720. The authorized enlisted strength of the Coast Guard is approximately 6,000 men. The authorized number of commissioned officers of the Coast Guard is 270.

Now, this measure does not provide for an increase of the Navy personnel, but in effect will make the Coast Guard personnel a part of the present authorized strength of the Navy. The Navy contemplates having 120,000 men enlisted during the ensuing fiscal year, or 23,000 below its allowance. It has approximately 2,800 regular line officers to officer this force. It expects to get some 700 reserve officers commissioned into the Regular Navy. If done, this will give the Navy approximately 3,500 officers. Also a number of former warrant officers will be commissioned; and if we assume that 1,000 such are commissioned, the Navy will then have 4,500 officers and still be 1,220 short of its authorized quota. This leaves ample vacancies to take in the entire Coast Guard personnel without exceeding the authorized strength of the Navy.

It is reasonable to assume that the Navy will, as speedily as possible, recruit its enlisted personnel up to authorized strength, but where is it going to get the quota of officers? The Naval Academy will deliver a large part of the shortage, but it will take a number of years to do it.

If we have a full Navy (as we eventually will have), we will have 143,000 enlisted men and 5,720 commissioned line officers. If we maintain the Coast Guard as a separate military naval establishment, we have also an additional 6,000 men and 270 commissioned officers.

The Navy personnel costs an amount, A; the Coast Guard personnel costs an amount, B. As separate establishments, the cost is A plus B; but if the Navy does, as it can do, the work of the Coast Guard within its authorized strength, the cost to the Government is



only A, the item B being wholly eliminated, and this item for pay alone averages nearly \$6,000,000 per year.

Analyzing this act by sections, we find as follows:

Section I contains the general provisions of the act, namely, that the material, and the personnel of the Coast Guard are to be transferred to the Navy, and the duties performed by the Navy.

The material of the Coast Guard consists mainly of certain sea-going vessels; harbor vessels; life-saving stations and their appurtenances; a telephone communication system and its appurtenances; a repair depot with its buildings and equipment; an academy, for the instruction of cadets, with its buildings and equipment; the furniture and apparel of the various administrative offices of the service; the furniture and apparel of certain supply storehouses; and supplies on hand for the operation and upkeep of the items above mentioned.

The personnel of the Coast Guard consists of approximately 6,000 persons, including commissioned officers, warrant officers, enlisted men, civil officials, and civil employees.

The duties of the Coast Guard as specified by the regulations for the government of that service have been previously given.

For reference, there is here inserted a compendium of the laws requiring the performance of these duties.

#### DUTY I.

R. S. 1536 (p. 396, Nav. Law): The President may, when the necessities of the service permit it, cause any suitable number of public vessels adapted to the purpose to cruise upon the coast during the season of severe weather and to afford such aid to distressed navigators as their circumstances may require; and such public vessels shall go to sea fully prepared to render such assistance.

R. S. 2759 (ibid.): The Coast Guard cutters on the northern and northwestern lakes, when put in commission, shall be specially charged with aiding vessels in distress on the lakes.

Act June 18, 1878, c. 265, § 6, 20 Stat. 164, reads as follows:

"The President of the United States may, by and with the consent of the Senate, appoint a suitable person, who shall be familiar with the various means employed in the Life-Saving Service for the saving of life and property from shipwrecked vessels, as general superintendent of the Life-Saving Service, who shall, under the immediate direction of the Secretary of the Treasury, have general charge of the service and of all administrative matters connected therewith and whose compensation shall be at the rate of four thousand dollars per annum; and the Secretary of the Treasury is authorized to appoint an assistant superintendent, whose compensation shall be two thousand five hundred dollars per annum."

It was superseded by act January 28, 1915, c. 20, 4-ants, 8459 1-2a (4)—which provides for the abolition of the grades of general superintendent and assistant general superintendent upon the completion of the organization of the Coast Guard.

Act January 28, 1915 (p. 606, Nav. Law): There shall be established in lieu of the existing Revenue-Cutter Service and the Life-Saving Service, to be composed of these two existing organizations, with the existing offices and positions, and the incumbent officers and men of those two services, the Coast Guard, which shall constitute a part of the military forces of the United States and which shall operate under the Treasury Department in time of peace and operate as a part of the Navy, subject to the orders of the Secretary of the Navy, in time of war or when the President shall so direct, etc.

#### DUTY II.

R. S. 2747 (p. 327, Nav. Law): The President may, for the better securing of import or tonnage duties, cause to be maintained so many of the Coast Guard cutters as may be necessary to be employed for the protection of the revenue,



the expenses whereof shall be paid out of such sum as shall be annually appropriated for the Coast Guard, and not otherwise.

R. S. 2758: The Secretary of the Treasury may direct the performance of any service by the Coast Guard vessels which, in his judgment, is necessary for the protection of the revenue.

R. S. 2761 (p. 512, Nav. Law): The master of any Coast Guard cutter shall make a weekly return to the collector, or other officer of the district under whose direction it is placed, of the transactions of the cutter, specifying the vessels that have been boarded, their names and descriptions, the names of the masters, from what port or place they last sailed, whether laden or in ballast, to what nation belonging, and whether they have the necessary manifests of their cargoes on board, and generally all such matters as it may be necessary for the officers of the customs to know.

R. S. 2762 (same): The officers of the Coast Guard cutters shall perform in addition to the duties hereinbefore prescribed such other duties for the collection and security of the revenue as from time to time shall be directed by the Secretary of the Treasury, not contrary to law.

R. S. 2764. The cutters and boats employed in the service of the Coast Guard shall be distinguished from other vessels by an ensign and pendant, with such marks thereon as shall be prescribed by the President. If any vessel or boat, not employed in the service of the Coast Guard, shall, within the jurisdiction of the United States carry or hoist any pendant or ensign prescribed for vessels in such service, the master of the vessel so offending shall be liable to a penalty of one hundred dollars.

R. S. 2765 (p. 327, Nav. Laws): Whenever any vessel liable to seizure or examination does not bring to on being required to do so, or on being chased by any cutter or boat which has displayed the pendant and ensign prescribed for vessels in the Coast Guard, the master of such cutter or boat may fire at or into such vessel which does not bring to, after such pendant or ensign has been hoisted and a gun has been fired by such cutter or boat as a signal; and such master and all persons acting under his direction shall be indemnified from any penalties or actions for damages for so doing. If any person is killed or wounded by such firing and the master is prosecuted or arrested therefor, he shall be forthwith admitted to bail.

R. S. 2773 (p. 200, Nav. Law): If any vessel, having arrived within the limits of any collection district from any foreign port departs or attempts to depart \* \* \* before report or entry shall have been made \* \* \* any collector, naval officer, surveyor, or commander of any revenue cutter may cause such vessel to be arrested and brought back.

R. S. 3059 (p. 187, Nav. Law): It shall be lawful for any officer of the customs, including inspectors and occasional inspectors or commander of a revenue cutter, or authorized agent of the Treasury Department, or any other person specially appointed by a collector, naval officer, or surveyor, to go on board of any such vessel, as well without as within his district, and to inspect, search, and examine same \* \* \*.

R. S., 3067 (same): It shall be lawful for all collectors, naval officers, surveyors, inspectors, and the officers of the revenue cutters to go on board of vessels in any port of the United States, or within four leagues of the coast thereof, if bound to the United States, whether in or out of their respective districts, for the purpose of demanding the manifests and of examining and searching the vessels.

R. S. 3068 (same): If any master \* \* \* shall obstruct or hinder \* \* \* any officer in lawfully going on board such vessel \* \* \* he shall be liable to a penalty \* \* \*.

#### DUTY III.

R. S., act March 3, 1905: The President in his discretion may temporarily detail any vessel or vessels of the Navy to remove or destroy derelicts in the course of vessels at sea. The regulations to govern the detail and service of said vessels shall be prescribed by the Secretary of the Navy and approved by the President.

Act of May 12, 1906 (p. 396, Nav. Laws): The Secretary of the Treasury is hereby authorized to have constructed, at a cost of \* \* \* a steam vessel \* \* \* for the purpose of blowing up or otherwise destroying or towing into port wrecks, derelicts \* \* \* said vessel to be maintained by the Coast Guard under such regulation as the Secretary of the Treasury may prescribe.



## DUTY IV.

Act June 24, 1914 (p. 329, Nav. Law) : In the discretion of the Secretary of the Treasury any of the Coast Guard cutters provided for in this act, or any other revenue cutter \* \* \* may be used to extend medical and surgical aid to the crews of American vessels engaged in deep-sea fisheries \* \* \*.

## DUTY V.

Act of January 28, 1915, 8459½a. (1) Coast Guard established in lieu of Revenue-Cutter Service and Life-Saving Service; part of military forces; under Treasury and Navy Departments; right of command of officers: There shall be established in lieu of the existing Revenue-Cutter Service and Life-Saving Service, to be composed of those two existing organizations, with the existing officers and positions and the incumbent officers and men of those two services, the Coast Guard, which shall constitute a part of the military forces of the United States and which shall operate under the Treasury Department in time of peace and operate as a part of the Navy, subject to the orders of the Secretary of the Navy in time of war or when the President shall so direct. When subject to the Secretary of the Navy in time of war, the expenses of the Coast Guard shall be paid by the Navy Department: *Provided*, That no provision of this act shall be construed as giving any officer of either the Coast Guard or the Navy, military or other control at any time over any vessel, officer, or man of the other service except by direction of the President. (C. 20, 1, 38 Stat., 800.)

All duties now performed by the Revenue-Cutter Service and Life-Saving Service shall continue to be performed by the Coast Guard, and all such duties, together with all duties that may hereafter be imposed upon the Coast Guard, shall be administered by the captain commandant under the direction of the Secretary of the Treasury, and all funds and appropriations now provided by law for the Revenue-Cutter Service and all funds and appropriations now provided by law for the Life-Saving Service shall be available for like purposes under the Coast Guard hereby created. (Jan. 28, 1915, c. 20, 2, 38 Stat., 801.)

## DUTY VI.

Act March 6, 1896, and April 26, 1906 (p. 394, Nav. Law) : The Secretary of Commerce is authorized to adopt and prescribe suitable rules and regulations governing the movements and anchorage of vessels and rafts in St. Marys River from \* \* \* to Point Detour on Lake Huron, and \* \* \* the Secretary of the Treasury is hereby authorized to detail one or more Coast Guard cutters for duty upon the request of the Secretary of Commerce on said river.

All officers of the Coast Guard who are directed to enforce the regulations prescribed by the above rules are hereby empowered and directed \* \* \* to use the force at their command to remove from channels, etc., etc.

Act March 4, 1915 (p. 400, Nav. Law) : The Secretary of War is hereby authorized and empowered to define and establish anchorage grounds for vessels in all harbors, rivers, bays \* \* \* and to adopt suitable rules and regulations in relation thereto, and such rules and regulations shall be enforced by the Coast Guard under the Secretary of the Treasury: *Provided*, That at ports or places where there is no Coast Guard cutter available, such rules and regulations may be enforced by the Chief of Engineers under the direction of the Secretary of War.

## DUTY VII.

R. S. 4792 (p. 296, Nav. Law) : The quarantines and other restraints established by the health laws of any State \* \* \* shall be duly observed by the officers of the customs revenue of the United States, by the masters and crews of the several revenue cutters, and by the military officers commanding in any fort or station upon the sea coast; and all such officers shall faithfully aid in the execution of such quarantine and health laws, etc., etc.

R. S. 5288 (p. 436, Nav. Law) : It shall be lawful for the President, or such person as he shall empower for that purpose, to employ such part of the land or naval forces of the United States, or of the militia thereof, as shall be necessary to compel any foreign vessel to depart the United States in all cases in which, by the laws of nations or by the treaties of the United States, she ought not to remain in the United States.



## DUTY VIII.

No law to cover this except general custom. This is not a particular function of the Coast Guard.

## DUTY IX.

Act June 9, 1910, motor boat law (p. 353, Nav. Law) : The Secretary of Commerce shall make such regulations as may be necessary to secure the proper execution of this act by collectors of customs and other officers of the Government. (No reference made to Coast Guard.)

## DUTY X.

Act April 28, 1908 (p. 394, Nav. Law) : The Secretary of Commerce is hereby authorized and empowered in his discretion to issue from time to time regulations, not contrary to law, to promote the safety of life on navigable waters during regattas and marine parades.

To enforce such regulations the Secretary of Commerce may detail any public vessel in the service of that department and make use of any private vessel tendered gratuitously for the purpose, or upon the request of the Secretary of Commerce, the head of any other Department may enforce the regulations issued under this act by means of any public vessel of such department and of any private vessel tendered gratuitously for the purpose.

The authority and power bestowed upon the Secretary of Commerce by sections one and two may be transferred for any special occasion to the head of another department by the President whenever in his judgment such transfer is desirable.

## DUTY XI.

R. S. 1956 (p. 283, Nav. Law) : No person shall kill any otter, mink, sable, or fur seal \* \* \* within the limits of Alaska Territory \* \* \* but the Secretary of Commerce shall have power to authorize the killing of any such mink \* \* \* or other fur-bearing animal \* \* \* and it shall be the duty of the Secretary of Commerce to prevent the killing of any fur seal except as authorized by law and to provide for the execution of the provisions of this section until it is otherwise provided by law.

Act March 2, 1889 (same) : Section nineteen hundred and fifty-six of the Revised Statutes of the United States is hereby declared to and include and apply to all the dominion of the United States in the waters of the Bering Sea; and it shall be the duty of the President \* \* \* to issue his proclamation \* \* \* warning all persons against entering such waters for the purpose of violating the provisions of said section; and he shall cause one or more vessels of the United States to diligently cruise such waters and arrest all persons, and seize all vessels found to be or to have been engaged in any violation of the laws of the United States therein.

Act of June 14, 1906, section 4 (p. 289, Nav. Law) : The collector of customs of the district of Alaska is hereby authorized to search and seize every foreign vessel and arrest every person violating any provision of this act or any regulation made thereunder, and the Secretary of Commerce shall have power to authorize officers of the Navy and of the Coast Guard and agents of the Department of Commerce to likewise make such searches, seizures, and arrests, etc.

Section 5: The Secretary of Commerce shall have power to make rules and regulations not inconsistent with law to carry into effect the provisions of this act. And it shall be the duty of the Secretary of Commerce to enforce the provisions of this act and the rules and regulations made thereunder, and for that purpose he may employ, through the Secretary of the Treasury and the Secretary of the Navy, the vessels of the United States Coast Guard and of the Navy.

Act April 21, 1910, section 9 (p. 517, Nav. Law) : The Secretary of Commerce shall have authority to appoint such additional officers, agents, and employees and may be necessary \* \* \* and to provide for the transportation of such supplies and provisions for the mainland of the United States to the said island (Pribilofs) by the charter of private vessels or by the use of public vessels of the United States which may be placed at his disposal by the President, etc.



Act August 24, 1912, section 9 (p. 282 Nav. Law) : It shall be the duty of the President to cause a guard or patrol to be maintained in the waters frequented by the seal herd or herds and sea otter, in the protection of which the United States is especially interested, composed of naval or other public vessels of the United States designated by him for such service; and any officer or any such vessel engaged in such service and any other officers duly designated by the President may search any vessel of the United States in port, or in territorial waters of the United States, or on the high seas when suspected of having violated, or being about to violate the provisions of this act, etc.

## DUTY XII.

Act August 15, 1914, section 5 (p. 460, Nav. Law) : It shall be the duty of the Secretary of Commerce to enforce the provisions of this act, and he is authorized to empower such officers and employees of the Department of Commerce as he may designate, or such officers and employees of other departments as may be detailed for the purpose, to make arrests and seize vessels and sponges, and upon his request the Secretary of the Treasury may employ the vessels of the Revenue-Cutter Service or the employees of the customs service to that end.

## DUTY XIII.

Act April 16, 1908 (c. 145, 12, 35 Stat., 63) : Administration of oaths: The president and recorders of Revenue-Cutter Service courts and commanding officers of vessels of the Revenue-Cutter Service be, and are hereby, authorized to administer oaths of allegiance and such other oaths as may be necessary for the proper conduct of said service; and that commanding officers of vessels of the Revenue-Cutter Service be, and are hereby, authorized to administer oaths generally in Alaska.

## DUTY XIV.

Act June 18, 1878 (c. 265, 9 20 Stat., 164) : Investigation of shipwrecks with loss of life: Upon the occurrence of any shipwreck within the scope of the operations of the Life-Saving Service, attended with loss of life, the (general superintendent) shall cause an investigation of all the circumstances connected with said disaster and loss of life to be made, with a view of ascertaining the cause of the disaster, and whether any of the officers or employees of the service have been guilty of neglect or misconduct in the premises; and any officer or clerk in the employment of the Treasury Department who may be detailed to conduct such investigation, or to examine into any alleged incompetency or misconduct of any of the officers or employees of the Life-Saving Service, shall have authority to administer an oath to any witness attending to testify or depose in the course of such investigation,

Section II is self-explanatory and requires little, if any, elaboration. It is intended to provide for the incumbents of the two chief administrative offices of the Coast Guard at the time of the passage of the legislation accomplishing the transfer, and to give them rank and precedence in the Navy to which it may be reasonably considered they are entitled *ex officio*.

It further intends that the incumbents at the time of the transfer shall hold their administrative offices and collaborate with officers of the Navy appointed for the purpose, in working out and accomplishing the details of the transfer or amalgamation, and when the Secretary of the Navy decides that they are no longer needed for this duty they are to take up such other duties as the Secretary may designate under their commissions as captains in the Navy.

Section III is to accomplish the transfer of commissioned line officers, commissioned engineer officers, and commissioned constructors of the Coast Guard to the Navy, and to place them on the Navy precedence list so that they will receive due credit for service already rendered to the Government, and so that their training, abilities, and



experience may be used to the best advantage to the Navy, which in turn means to the best advantage of the country.

Existing laws authorize in the Coast Guard commissioned officers, line, engineer, and constructors, as follows:

**Line officers:**

- 1 captain commandant.
- 6 senior captains.
- 31 captains.
- 37 first lieutenants.
- 49 second lieutenants.<sup>1</sup>
- 30 third lieutenants.<sup>2</sup>

Total, 154, approximate.

**Relative naval rank:**

- Captain.
- Commander.
- Lieutenant commander.
- Lieutenant.
- Lieutenant (junior grade).
- Ensign.

**Engineer officers:**

- 1 engineer in chief.
- 6 captains of Engineers.
- 28 first lieutenants of Engineers.
- 26 second lieutenants of Engineers.<sup>3</sup>
- 10 third lieutenants of Engineers.<sup>4</sup>

Total, 71, approximate.

**Relative naval rank:**

- Commander.
- Lieutenant commander.
- Lieutenants.
- Lieutenant (junior grade).
- Ensign.

**Constructors:**

- 1 constructor (machinery).
- 1 constructor (hulls).

Total, 2.

**Relative naval rank:**

- Lieutenant.
- Lieutenant.

Total of all officers affected by this section (approximate), 227.

The body of this section and the first two provisos are self-explanatory, but the third proviso may need some explanation.

This proviso is inserted to give justice to the Engineer officers. Under existing law, the highest rank obtainable by these officers is that of lieutenant commander, and only six can hold that rank. There is authority for the appointment of one engineer in chief to the ex officio rank of commander, but for practical purposes that may be ignored.)

Consequently, the older Engineer officers in the rank of first lieutenant of Engineers have greater length of total service than many of the Coast Guard captains. It is intended that this proviso permits these older Engineer officers to be promoted in accordance with their length of total service and to regain rank and precedence which they have lost by retarded promotion in the Coast Guard. Under this proviso some of them will be transferred as commanders.

On the other hand, the junior Engineer officers would lose precedence if the present Coast Guard precedence list is not maintained. Line cadets serve three years as cadets, while Engineer cadets serve only one year as cadets. Taking, for example, an Engineer cadet commissioned on July 1, 1917, and a line cadet commissioned on July 1, 1918. The Engineer officer then takes precedence in the Coast Guard one year ahead of the line officer, but in reckoning total service the line officer has to his credit two years more than the Engineer officer, so that if length of total service alone governs precedence on the transfer, the line officer will "jump" the Engineer officer by two years. Hence the third proviso is so worded that present Coast

<sup>1</sup> Third lieutenants are promoted to next higher grade after five years commissioned service, so that number of second lieutenants is indeterminate. There were actually 49 when official register of January 1, 1918, was published.

<sup>2</sup> Approximate. Register of January 1, 1918, shows 20, and about 10 cadets have since graduated.

<sup>3</sup> Same note as applying to line officers.

<sup>4</sup> Approximate.



Guard precedence shall be maintained with respect to junior officers in determining their relative positions on the Navy precedence list when transferred.

Section IV is intended to provide for the present incumbents of the Coast Guard office of district superintendent. There are 13 of these officers. They are commissioned as district superintendents and have relative rank as follows:

Relative Coast Guard rank:	Relative naval rank:
1 captain.	Lieutenant commander.
3 first lieutenants.	Lieutenant.
4 second lieutenants.	Lieutenant (junior grade).
5 third lieutenants.	Ensign.

Under the provisions of this section all of these officers will receive promotion at least one grade. It is intended that they continue in their present duties during the remainder of their careers in the service, and it is further intended that they shall be promoted from time to time as vacancies are created in their corps by reason of death, retirement, or resignation of other members of the corps. Two of these officers will retire on account of age in 1920; the last one will retire for the same reason in 1940. Several of them are already eligible for retirement under the 30-year service provisions.

The duties of these officers are, in general, as follows:

First. General supervision over the administration of the material and personnel of the life-saving stations in their districts.

Second. Disbursing officers of their districts.

Third. Supply officers of their districts.

Fourth. Control of discipline, leaves of absence of station crews, etc.

Fifth. Control of enlistments and promotion of station crews.

Sixth. Inspection of material and personnel.

NOTE.—See Coast Guard Regulations, articles 1317 and 1356.

In each Coast Guard district there are from two to three officers on duty, each having some duties connected with the operation of the life-saving stations—the district superintendent, the assistant inspector, and the division commander. The superintendent's duties have already been enumerated. The duties of the assistant inspector, who is a line officer, are, in general, as follows:

First. General inspection of stations and personnel.

Second. Testing of proficiency of station crews by drills.

Third. Conducting investigations.

NOTE.—See Coast Guard Regulations, articles 901 to 904.

The duties of the division commander, who is also a line officer, are, in general, as follows:

First. General supervision over vessels in his division.

Second. Cooperation with district superintendents in rendering assistance to vessels in distress, etc.

NOTE.—See Coast Guard Regulations, articles 911 to 929.

From the foregoing it will be seen that in the various districts we have two or three commissioned officers of comparatively high rank performing in the same territory duties which are more or less overlapping, resulting in waste and conflict of authority. In actual practice the combined duties of these officers are no more than can be



efficiently performed by one of them with a comparatively small clerical force, especially as under naval district organization, the disbursing and the supply duties of the district superintendent can be more efficiently handled by the disbursing office and the supply office of the naval district including the territory of the Coast Guard district in question.

This legislation will abolish an unnecessary office when the present incumbents thereof sever their active connection with the service. While these present incumbents are on active duty, it is intended that they continue in the performance of their present duties.

There should be on duty on the staff of each naval district commandant a former officer of the Coast Guard for the performance of the combined duties of the present division commander of the present assistant inspector. This suggested arrangement of duties already eliminates in each district one officer held to be necessary in the Coast Guard system, and as each district superintendent passes out of active service his duties can be divided among other naval district officers somewhat as follows:

First. Disbursing duties to district disbursing officer.

Second. Supply duties to district supply officer.

Third. All other duties to the commandant's aid for these so-called Coast Guard duties.

This elimination of duplication in duties of certain offices is one of the features that will accomplish some of the economy and increased efficiency claimed for this legislation.

Section V: There are in the organization of the Coast Guard certain technical positions, as follows:

Civil engineer .....	1
Field assistants, construction and repair .....	7
Supervisors of telephone lines .....	10
Assistant supervisors of telephone lines .....	3
Repairmen of motor boats .....	2
Total affected by this section .....	23

The civil engineer is attached to Coast Guard headquarters at Washington. He has general supervision of matters pertaining to sites of stations; design and construction of new buildings, launching ways, breakwaters, etc.; and repair and maintenance of same. The present incumbent is about 50 years of age, a graduate civil engineer, with 22 years' experience in his work. He is a civil employee and receives at present a salary of \$2,250 per year.

The field assistants, construction and repair, are also civil employees and constitute the working force of the civil engineer in the field. They are his local representatives in their various territories and have charge of the construction, repair, and upkeep of the stations and their appurtenances. Several of these men are graduate civil engineers and have had experience in their work varying between 22 and 2 years. Those of them who are not graduate civil engineers are expert practical men and thoroughly efficient in their duties. Two of them would retire immediately on the passage of this legislation, one in 1920 and the youngest would retire for age in 1949. Six receive a salary of \$2,000 per year and one receives a salary of \$1,800 per year.



This legislation proposes to commission the civil engineer and the field assistant in the Civil Engineer Corps of the Navy, with the intention that they shall be retained on their present duty during the remainder of their connection with the service.

The work of selecting sites for life-saving stations, of designing and constructing buildings, launching ways, and breakwaters requires expert local knowledge. Therefore, these men must be retained in the service to carry on this important work and to train such other men as may follow them in the future.

The rank or grade the legislation proposes to give them is based on their present salaries and length of service.

The supervisors of telephone lines and the assistant supervisors of telephone lines are also civil employees, and have supervision, in their various territories, of the installation, repair, and upkeep of the telephone communication system connecting the stations along the coast. The distinction between supervisor and assistant supervisor is merely a matter of length of service and consequent salary.

These men have served in the former Life-Saving Service and the Coast Guard for periods varying between more than 20 years and less than 5 years. Their salaries vary between \$2,000 and \$1,200 per year.

They are experts in their business and have built and maintained the many hundreds of miles of telephone lines and cables linking up the stations on the coast. Their work is arduous and hazardous, so much so that life insurance companies have classified their work as a prohibitive risk.

This legislation proposes to give the supervisors the rank or grade of chief warrant officers and the assistant supervisors the rank or grade of warrant officers. This also is based on length of service and consequent salary, and is no more than their due when the nature of their work and their previous service to the Government is considered.

These men should have military status for two reasons: First, in the interests of discipline, and, second, because of the fact that they can not obtain life insurance. The efficiency of their work is now handicapped because as civil employees they have no authority over the military personnel who are detailed to assist them in their work; that is, the surfmen. As they serve the country in a hazardous and arduous duty, which prohibits them from securing life insurance, they should be entitled to the benefits of retirement for age, service, and physical disability incurred in line of duty. They can not receive these benefits without military status.

The acquisition of this system of coastal communication is one of the prime benefits the Navy will receive as a result of this legislation. Its value is so obvious to those who study the problems of national defense that it is unnecessary to elaborate. Sufficient is it to say that as the Navy is the logical protector of our coasts, the operation of this communication system should be under its operation and control at all times. The Navy should build it up to completion and train the operating personnel in time of peace so that the system would be at maximum efficiency in time of war. This important equipment of the Government can not be developed to a satisfactory point under the present system because of insufficient appropriations, nor can it be used to maximum efficiency when the operating person-



nel is trained under one service in time of peace and directed by another service in time of war. Full cooperation and full coordination will always be impossible under the present system. Therefore the system should be changed.

The repair men of motor boats are also civil employees. They are expert mechanics, specializing in the repair and operation of motor-boat machinery. Their especial duties are to tune up new propelling machinery installed in power lifeboats, and to repair and readjust same when worn and damaged in service, to repair all other gasoline engines of the Coast Guard turned in to them for overhauling, and to instruct the operators of the boats and vessels equipped with such machinery. They are but two in number and are stationed at New York. They receive a salary of \$1,200 per year. One of them has been in the former Life-Saving Service and the Coast Guard continuously for the past 18 years. The service data of the other is not at hand but can be readily estimated from Coast Guard headquarters. These men are experts in their speciality and will be valuable to the Navy in this work. This legislation proposes to give these men the rank or grade of warrant officer (machinist), which rank or grade is based on length of service and consequent salary.

Section VI is intended to provide for the civil instructors of the Coast Guard. At present, there is but one such but at times there have been two, and there is the possibility that another might be appointed before the passage of this act. Hence the section is written in the plural.

The present incumbent of this office is a civil employee. He is a professor of mathematics and teaches at the Coast Guard Academy all higher mathematics and the mathematics of ballistics. He has been in the service of the Coast Guard continuously since 1907, and receives a salary of approximately \$2,400 per year.

He is an expert mathematician and an excellent instructor, having the valuable faculty of imparting his subject to the student in the most clear and concise manner.

This legislation proposes to appoint this instructor (and any other that may be appointed in the Coast Guard prior to the passage of this act) a professor, associate professor or assistant professor, of mathematics in the Navy in accordance with his length of service in the former Revenue-Cutter Service and the Coast Guard, such service to be considered the same as if it had been in the Navy. It is intended to give him such rank or grade as carried with it a salary at least equal to his present salary. This man's experience in teaching in a military service and his natural talent for teaching will be of value at the Naval Academy, which undoubtedly will have to increase its teaching staff to meet the additional demands created by the existing shortage of officers.

Section VII. There are in the organization of the Coast Guard, as authorized by the act of January 28, 1915 (sec. 2), two chiefs of division who are paid a salary of \$3,000 (peace basis) per year. One of these is called the Chief of Division of Operations, and the other is called the Chief of Division of Material.

The Chief of Division of Operations has supervision over certain matters pertaining to the operation of Coast Guard activities, and certain matters pertaining to personnel.



The Chief of Division of Material has supervision over matters pertaining to supplies, etc.

It is the intent of this section to transfer these officials to the Navy Department, where they are to continue in duties approximately similar to their present duties and to assist in the assimilation of the Coast Guard organization into the Navy.

Section VIII is to provide for cadets, warrant officers, including keepers and the enlisted men.

It provides that cadets (line and engineer) shall become midshipmen. Line cadets are appointed from civil life after competitive examination held at various places throughout the country. When appointed, they must be between 18 and 24 years of age.

This examination is somewhat broader in scope than the entrance examination for the Naval Academy, and includes much of the elementary work covered in the first year at the Naval Academy. The line cadet course covers three years, and is very similar in general scope to the Naval Academy course, the same textbooks being used in professional subjects. The graduate of the Coast Guard Academy is fitted at the time of graduation in practically all essentials to take up the duties of a naval ensign, with some minor exceptions such as the detail of the Navy Regulations, naval history and traditions, and naval ship organization. These deficiencies he would very soon make up by contact with actual naval conditions and consequent assimilation of ideas and ideals. He is much better fitted to begin a career in the Navy at graduation than later, as his theoretical training, which has been very similar to Naval Academy training, is fresh in his mind. There is no doubt but these ex-Coast Guard cadets will prove to be at least as good material as the average naval cadet of the same length of training.

The engineer cadets of the Coast Guard are also appointed from civil life after competitive examinations held at various places throughout the country. When appointed, they must be between 20 and 25 years of age. Most of the engineer cadets appointed are graduates or senior under graduates of technical schools and colleges and all appointees are required to pass a rigid professional examination for appointment. They are required to serve a cadetship of at least one year, during which time they are given military training and instructed in service etiquette, customs and regulations. They are also given a general course in seamanship and navigation, both theoretical and practical, and they make one summer practice cruise.

These engineer cadets are already marine and mechanical engineers when they enter the service and after their year of intensified training are qualified to stand an independent watch in practically any engine room. They are very excellent material for the making of officers, for engineering duty, and are young enough to assimilate naval training in practice.

The fourteen senior boatswains, formerly master's mates of the Coast Guard, hold a grade between commissioned and warrant officers. Their status is practically the same as that of chief warrant officers in the Navy. This section makes 14 of them chief warrant officers. Two of these were appointed, after examination, from civil life, because of their special knowledge of the localities where their services were needed. The remaining 12 who are to become chief



warrant officers are ex-warrant officers of considerable length of service who have been promoted. They are all well trained, seasoned, experienced, practical seamen and fully qualified to perform the duties to which they are usually assigned; that is, to command tugs and other vessels of small tonnage. Nearly all of them are qualified to stand a watch at sea on any vessel, and many of them hold certificates as masters and mates of unlimited tonnage in the merchant marine. This section makes them chief warrant officers. Some of them were formerly machinists, and these should be commissioned as chief machinists, the others should be commissioned as chief boatswains.

There were approximately 45 master's mates, and all of them, except the 14 above mentioned, have been appointed very recently, that is, since January 1, 1918. Some of these recent appointees were formerly keepers and are not generally qualified for the duties of chief warrant officers of the line.

These former keepers are, however, fully qualified for all the duties of a keeper, and if any of them appear among the first 45 keepers, according to the official Coast Guard Register of January 1, 1918, they would, under the provisions of this section, become chief boatswains, life-saving, a special designation created by this section, which will be discussed later. The remaining former keepers would be warranted boatswains, life-saving.

The other former master's mates, excluding former keepers, would be warranted boatswains, gunners, machinists, carpenters, or sail-makers, as their former warrants indicate.

The warrant officers of the Coast Guard are all well trained, seasoned, experienced, practical men and will stand well up to the average naval warrant officers in their various specialties, except possibly for the difference between Coast Guard and naval procedure and routine.

This slight difference of training would have very little, if any, effect in the amalgamation, as it would be the logical and proper thing to keep them assigned to vessels detailed to perform the present Coast Guard duties. They would gradually assimilate naval procedure and routine and in a reasonably short time all material differences would disappear.

This section does not promote these officers, but confirms their status. It gives them credit for previous service rendered to the Government and makes them all eligible for promotion in accordance with length of service. Some of them would on doubt be found qualified in every respect to be promoted to chief warrant officers.

In short, this bill gives them the same status as warrant officers of the Navy.

There are 236 former keepers, now boatswains, in the Coast Guard according to the official Coast Guard Register of January 1, 1918.

These boatswains, former keepers, are warrant officers and rank ahead of all other warrant officers. This section proposes to transfer them to the Navy with the title and rank or grade of chief boatswains and boatswains, to which titles is to be added the designation—life saving, to classify them according to their qualifications and experience. This special designation is to distinguish between regular line boatswains and former keepers, similar to the application of the designations—electrical, radio, etc., to the various classes of gunners.



This section proposes to give 45 (or about 20 per cent) of the former senior keepers the rank or grade of chief boatswains. It is the intent of this provision to give the officers affected thereby consideration for their length of service.

The Coast Guard warrant officers affected by this section are as follows:

Coast Guard rank or grade:

14 former master's mates.  
45 former keepers.  
191 former keepers.  
29 boatswains.  
29 gunners.  
39 machinists.  
24 carpenters.  
1 sailmaker.

Total, 372.

To naval rank or grade:

Chief warrant officers.  
Chief warrant officers.  
Boatswains (life-saving).  
Boatswains.  
Gunnery.  
Machinists.  
Carpenters.  
Sailmaker.

It will be found that there is one rating in the Coast Guard which does not correspond to any existing rating in the Navy, i. e., surfman. This rating applies to the personnel of the life-saving stations.

The duties of a surfman require him to have special local knowledge of the vicinity in which he is to serve and to be experienced in surfmanship (if the term may be used). He must be familiar with the tidal and ocean currents in the vicinity of his station and the behavior of the surf under the varying conditions of wind and weather. Such knowledge and experience can be gained only by living and working in the vicinity.

Surfmen are recruited by the officer in charge of the station, usually from among the fishermen and boatmen who live in the vicinity of the station and make their living by working on the water in one occupation or another. These men are scarce and usually quite independent. It is hard to get them to enlist under any circumstances, so the pay and benefits they will receive from the service must be made attractive to them. There are other features that require these men to be well paid. Their real work is performed usually in the worst kinds of weather, both summer and winter, and it is hazardous. Besides surf work, these men are required to patrol long stretches of beach exposed to all kinds of weather. The combination of surf work, and the exposure to inclement weather makes them subject to the risk of impaired health at a comparatively early age.

Also, conditions require that a large percentage of the stations be located in isolated places, where the men are deprived of practically all outside associations. Their recreations and amusements are limited and withal, the life is perforce dull and monotonous. And even when they are stationed in more populous localities, with cheerful surroundings, the small number in the station crew makes long and frequent release from duty prohibitive.

All of these factors must be taken into account when considering the pay and benefits given these men, and when these things are considered, the pay specified in this legislation will not be found to be excessive. To the contrary, taking into consideration the present living expenses of the average man, it may possibly be deemed in commensurate with the service rendered the Government.

Bearing in mind the fact that these men are specialists, the maintenance of efficiency demands that vacancies in this branch of the



service be filled by promotion of those serving in the lower ranks or ratings of this branch. This section, therefore, provides that vacancies in the rank or grade of boatswain, life saving, and in the rating of chief surfman shall be filled by promotion of chief surfman and surfman, respectively. In this connection, due consideration should be given the circumstances affecting enlistment of surfmen and the average age of recruits at time of original enlistment, and the age limit for eligibility for promotion to the rank or grade of boatswain, life saving, should be fixed accordingly. Present Coast Guard regulations specify 42 years as the maximum age at which any person can be promoted to the warrant rank. It is the opinion of many keepers and surfmen that this limit is too low, and should be raised to at least 45 years, with respect to the promotion of chief surfman to the rank of boatswain, life saving, as the average chief surfman would be past that age before he had a chance for promotion.

Section IX is intended to retain in the employment of the Navy such of the civil service employees of the Coast Guard as may be necessary to carry on the administrative work connected with the duties now performed by the Coast Guard. This group of employees includes a civil law clerk, a hydrographer and topographer, one or more draftsmen, and a number of clerks.

The law clerk has been employed in work connected with courts-martial. He practically corresponds to the Judge Advocate General of the Navy, and would no doubt be a valuable acquisition to the Judge Advocate General's office.

The hydrographer and topographer has been employed in work connected with the selection of locations for life-saving stations, and the investigation of natural conditions having a bearing on suitability of these sites. He would no doubt be of considerable value in the Hydrographic Office.

The employment of draftsmen is obvious and their experience in mechanical and architectural drawing would be valuable in any one of the technical bureaus of the Navy Department.

The clerks may or may not be needed in the Navy Department, most likely some few of them will be needed for a time, at least until the absorption of the Coast Guard organization is completed. This section is, however, drafted that those of them who are not needed in the Navy Department may be transferred to other employment in the Treasury Department.

Section X: The body of this section is self-explanatory, but the provisos may require some explanation. The first proviso affects only the commissioned officers who are 40 years of age or over on the date of the passage of this act. The "age in grade" law, which goes into effect next year, provides that officers of the Navy in the grade of lieutenant commander cease to be eligible for promotion when they reach the age of 45 years, and with respect to officers in the grade of commander when they reach the age of 50 years. Naval officers, when they reach the age of 40 years, still have 5 years of service before them during which they are eligible for promotion to the grade of commander, and if promoted to this grade, they have an additional 5 years during which they are eligible for promotion to the grade of captain.

But on account of retarded promotion, the average Coast Guard officer does not reach the grade of lieutenant commander until he



is well over 40 years of age. According to the provisions of section 3 of this bill, some of the Coast Guard officers will be commissioned commanders and some lieutenant commanders, and many of them would reach the age in grade limit in less than five years after this transfer is accomplished. In fact, some of them would be required to retire immediately on the passage of the act. This proviso is inserted to give every one of these officers who is 40 years of age or over the same period of opportunity for promotion as is accorded naval officers; that is, five years during which the "age in grade" law will be held in abeyance for them.

The third proviso affects only the enlisted men of the Coast Guard, who are transferred to the Navy by this legislation.

The act of January 28, 1915, creating the Coast Guard, gives to enlisted men the benefits of retirement for physical disability incurred in line of duty—that is, three-quarters of active duty pay. Many of the enlisted men have served for long periods in the Coast Guard, former Life-Saving Service and former Revenue-Cutter Service, and have made the service their life work with the understanding that they would receive the benefits of this law in their old age, or when they had been injured or diseased incident to service. This same act provides that men may reenlist the day following discharge without physical examination. This provision was enacted primarily to take care of the enlisted personnel of the former Life Saving Service, many of whom had served their entire lives in the service, and who had but a few years to serve to complete 30 years service, so they could retire on three-quarters of their active duty pay.

There are many such men still in the Coast Guard, who doubtless could not pass a rigid physical examination for reenlistment in the Navy, yet who are fully able to perform the duties of their ratings. There is the possibility that a few of these old service men, having been discharged at the end of their current enlistment contracts, and having severed temporarily their connection with the service, would become ineligible to receive the benefits of retirement.

The laws governing retirement in the Navy provide retirement for 30 years' service, but do not provide retirement for physical disability incurred in line of duty. This proviso is drafted to keep faith with the continuous service men of the Coast Guard, who have entered the service and served faithfully with the assurance that their futures were protected. It is not deemed just or equitable that the Government should break faith with these men. Practically, the proviso would have very little effect as very few of the men concerned would be found unfit for reenlistment.

Section XI needs no explanation except perhaps to state that in effect it equalizes the laws governing retirement in the Coast Guard and in the Navy.

Section XII needs no explanation in general. The proviso is inserted to give an enlisted man with one, two, or three years continuous service in the Coast Guard credit for such service in computing his pay, and to enable him to receive, on completion of four years continuous service in the Coast Guard and the Navy, the increases in pay accompanying the first reenlistment in the Navy.

Section XIII needs no comment.

Section XIV needs no comment.



Section XV needs no comment.

We may then logically conclude that the permanent transfer of the Coast Guard from the Treasury Department to the Navy Department will result as follows:

1. It will not be detrimental to the Treasury Department or any of its subdivisions, but will improve the efficiency of the performance of Coast Guard duties, because of better and more abundant equipment.

2. It will relieve the Treasury Department of the administration of a military service, which performs for it only slight service and that more by reason of tradition than of necessity.

3. It will not be detrimental to the Department of Commerce, for the enforcement of the navigation laws and motor boat laws will be accomplished by the Navy.

4. It will benefit the Navy by giving it the services of a number of trained experienced officers in such rank that they can be used to the best advantage for the good of the country.

5. It will improve the efficiency of the Navy by opening to young naval officers a field of training which will give them a broader experience in seamanship and coastal navigation. The performance of these so-called Coast Guard duties give experience that can be gained in no other way and which is necessary to round out the professional training of a seagoing personnel.

6. It gives the Navy control and operation of a coastal communication system which is of great value in the protection of the coast in time of war and in the development of naval aviation at all times.

7. It will benefit the Navy by giving it control of the life-saving stations, the personnel of which can be trained and developed into an efficient military patrol to guard the coast in time of war, this military patrol being highly essential as demonstrated during the recent submarine attacks on our coast.

8. It will improve the efficiency of operation of the present Coast Guard activities, particularly the four important duties, by making available for use in this work the modern equipment of the Navy. The use of Naval equipment in this work will obviate the necessity of replacing the worn-out, obsolete, and lost equipment of the Coast Guard.

9. It will improve the efficiency of the personnel of the present Coast Guard by improving their conditions of living and by restoring their esprit de corps, and bringing to them contentment, which is the foundation of personal efficiency.

10. It will further increase the efficiency of the present Coast Guard personnel by giving them adequate modern equipment with which to accomplish their work.

11. It will achieve economy by abolishing certain functions of the Coast Guard which are duplications of similar functions in the Navy. It is estimated that by consolidating these duplications with similar functions in the Navy a saving of approximately \$500,000 per year will be accomplished. Some students of this question place the saving at a higher figure. A part of the saving will be used in achieving improved efficiency, and for a time the great economy may not be apparent, but the economy will develop with the perfection of reorganization. We can maintain emphatically that there will be no additional expense.



12. It will further achieve economy by making, as before stated, the present adequate equipment of the Navy, built and purchased for war purposes, available for replacing worn-out and lost equipment of the Coast Guard. The accomplishment of this amalgamation will make it unnecessary for any vessels to be built for Coast Guard work for at least 10 or 15 years, and would result in a saving, at a conservative estimate, of a million dollars per year for the period mentioned.

13. Finally, it will accomplish a coordination of similar functions that would never be accomplished under present conditions. In short, it combines the little Navy with the big Navy and makes one Navy, which is as it should be.

(The committee thereupon recessed until Friday, May 28, 1920, at 10 o'clock a. m.)

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COMMITTEE ON INTERSTATE AND FOREIGN COMMERCE,  
HOUSE OF REPRESENTATIVES,  
*Friday, May 28, 1920.*

The committee met at 10 o'clock a. m., Hon. John J. Esch (chairman) presiding.

The CHAIRMAN. The committee will resume consideration of H. R. 5516, introduced by Mr. Campbell of Pennsylvania, to permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department. In view of the fact that this morning may be the only opportunity to consider this bill and there are a couple of gentlemen here from out of town who desire to be heard briefly in opposition, I shall ask the proponents of the bill at half-past 11 to suspend so as to give an opportunity to the out-of-town opponents to be heard. We will therefore have to concentrate the hearings as much as possible in view of the fact that the members of the committee are likely to be called to the House at 12 o'clock on a roll call. Who is your next witness, Mr. Campbell?

Mr. CAMPBELL. I would be glad to have you hear Admiral Coontz, Chief of Naval Operations.

**STATEMENT OF ADMIRAL ROBERT E. COONTZ, CHIEF OF NAVAL OPERATIONS.**

The CHAIRMAN. Admiral, please give your name to the committee. Admiral COONTZ. R. E. Coontz, admiral, United States Navy, Chief of Naval Operations.

Mr. CAMPBELL. Admiral, you are conversant with the provisions of H. R. 5516, transferring the Coast Guard permanently from the Treasury Department to the Navy Department, and I would be glad for you to tell the committee your judgment of the bill, its merits, etc., and whether it would be a matter of economy to the Government and efficiency to the service to make this transfer.

Admiral COONTZ. I read the bill some time past and am familiar with its general provisions, the understanding, as I take it, being a transfer of the Coast Guard and its various duties to the Navy. I would state I have thought of this matter off and on for about 25 years, ever since 1895, when it was broached, and after the experience



in the late war I have come to the conclusion it would be in the interest of economy and efficiency for the Coast Guard to be transferred to the Navy.

I have also come to the conclusion that, in view of our economic situation at present and possibly for 8 or 10 years to come, it is desirable to practice all economies that will inure to the benefit of the Government, and that a study of such economies, and so on, will undoubtedly be made, and that this matter is one that will come under that category. I have had the view that practically everything afloat should come under the Navy. In war time we have to use all branches, and in peace time we should prepare for war.

I had one of the districts of the United States during the earlier and greater part of the war; had Coast Guard vessels that were transferred to the Navy under my command; had an opportunity to see how the work could be coordinated, what the caliber of Coast Guard officers was; and that sustained my belief. On the other hand, the line officers of the Navy, of which we are allowed 5,500, are now down to about 2,800. It will be many years before the Naval Academy can fill that deficiency. We expect to take, or we hope to take, some 700 from the temporaries and those who came in during the war, and I believe that taking the Coast Guard officers into the Navy would be of great benefit just at present also to the Navy and its personnel. The duties of the Coast Guard could in time be taught the younger naval officers, and many of the Coast Guard officers, both senior and junior, would fit in for naval duties. Those are the two broad principles on which I would favor the merger, after thought; that is, economy in Government expenditures and efficiency for both the Navy and the Coast Guard as combined.

Mr. CAMPBELL. Has the Navy equipment at the present time to assume the duties of the Coast Guard without further appropriations or expenditures of public funds?

Admiral COONTZ. I take it that with the Coast Guard appropriations it could be so done, and in many cases the Coast Guard districts could merge very promptly with the Navy, and I do not think there would be any particular trouble. The President has at any time, either in peace or war, the authority to transfer the Coast Guard, according to the way I read the law.

Mr. CAMPBELL. You refer to the Overman Act?

Admiral COONTZ. Yes; the way it was transferred before and the way it stands now. I would like to say also that what struck me the other day was that just at present in Alaska there are 9 or 10 vessels to control the sealing business this year, and various other troubles that may or may not come up. The Navy Department has, or will have, three vessels, the Coast Guard will have five, and the Coast and Geodetic Survey two or three. The result was that when we had to handle that matter about two months ago we had to have a conference of representatives of the three departments, and Secretary Alexander, Secretary Houston, and Secretary Daniels had to sign a combination letter. This went to the President and he approved it, and we are now running it up there with the three branches of the Government, all doing what one could do if it had the necessary number of ships, and doing it very amicably, I trust.

Mr. CAMPBELL. If it was under one department, necessarily that would reduce the expense of operation up there, would it not?



Admiral COONTZ. Yes, sir; of course, the great expense of operation and the saving would be in our combining the districts, combining repair bases, combining academies, and matters of that kind. Certainly in the districts we could make very favorable combinations.

Mr. CAMPBELL. The training at Annapolis is amply sufficient to train the officers for the Coast Guard work, is it not, Admiral?

Admiral COONTZ. Yes, sir.

Mr. CAMPBELL. And there would be no further need for the Coast Guard training school at New London?

Admiral COONTZ. I take it none.

The CHAIRMAN. The entrance age at New London is higher than at Annapolis, is it not?

Admiral COONTZ. The age at Annapolis from 16 to 20.

The CHAIRMAN. And at New London it is what?

Admiral COONTZ. I do not know.

Commodore REYNOLDS. Eighteen is the minimum.

Mr. CAMPBELL. And what is the maximum.

Commodore REYNOLDS. Twenty-four years.

The CHAIRMAN. So that you get an older class of students at New London than at Annapolis?

Admiral COONTZ. Yes, sir.

The CHAIRMAN. And the term is three years instead of four years.

Admiral COONTZ. Yes, sir. On the other hand, if you take them into Annapolis you would have their services longer for the Government.

Mr. STINESS. Admiral, I would like to ask about the number of vessels laid up at present in the Navy?

Admiral COONTZ. In the Navy at present we have a great many vessels, about 150, that are laid up from lack of personnel. We are short to-day about 66,000 men of what the law allows, and since the passage of the pay bill last week we have for the first time started upward, so that from now on we will slowly but surely be able to put vessels back in commission one by one. We have a large number of vessels in what we call reduced commission and in reserve. Some of them are valuable vessels and are down to as low as 10 men on a destroyer, and we also have for sale in the Navy still, I think, at least 300 vessels of what we call a nonmilitary value, from submarine chasers up to very old battleships. We sell a few from day to day and turn the money into the Treasury. The final windup, from having 980 and odd vessels when the war ended, will be that we will have in all about 436, if I recall the figures, of which the Pacific Fleet will have about 200 and the Atlantic Fleet 200. Some of the vessels laid up are comparatively new. During the war we built destroyers, because that was what we expected to end the submarine menace with, and we contracted before we could stop for as many, I think, as 298 in all. We are compelled to take those vessels and within six months give them a complete try out before we finally settle with the contractors. Those are the vessels of which a great many are laid up. Then we have recently laid up our second line of battleships, simply because we did not have any men to put on them, and have put everybody on the newer dreadnaughts, the submarines, and a few auxiliaries.



Mr. STINESS. Yesterday someone testified that there were mine sweepers available which could be used in the Coast Guard Service; is that correct?

Admiral COONTZ. We had a number of mine sweepers, and I think we have already turned over certain mine sweepers to the Coast Guard.

Commodore REYNOLDS. No, sir; no mine sweepers, but some Eagle boats.

Admiral COONTZ. Yes; they were Eagle boats. We turned the mine sweepers then over to the Shipping Board. I believe it is possible to turn certain mine sweepers over to the Coast Guard on the condition, of course, that they would be immediately returned in case of war or in case of necessity. We went to great expense on the mine sweeper during the war, in order, first, to plant the mines in the North Sea, and, second, to take them up, and the mine sweepers as such are very valuable boats. We utilize some of them with the Pacific Fleet for mine sweeping and mine laying, and some with the Atlantic—just for practice—but we still have some that are left over.

Mr. STINESS. If there is a shortage of vessels in the Coast Guard the President, or some other official, I presume, could turn those mine sweepers over to the Coast Guard, could he not?

Admiral COONTZ. Yes, sir; we are transferring Navy vessels without cost to all departments of the Government at present, including the War Department, for instance, for use at Panama, and that is going on all the time, just the same as the transfer of Army stores on hand that the Navy needs, rather than buying them, or vice versa. Those transfers go on from day to day along with the liquidation of our millions of stores that the Navy wound up with. That goes on every day, and for a while we turned in half a million dollars a day to the Federal Treasury from straight sales.

Mr. STINESS. Do you think that Coast Guard Service would be as efficient if the surfmen and other men of that kind were in the Navy instead of being under a separate service?

Admiral COONTZ. Yes, sir; I see no reason why the same efficiency should not keep up, because they would still be held to the same accountability and everything along those lines, and, as I understand it, the surfmen are more or less permanent at the various stations.

Mr. STINESS. And they are local, are they not?

Admiral COONTZ. Yes, sir.

Mr. STINESS. These surfmen, being able to live with their families near where their services are rendered, makes it more attractive, does it not, than if they went into the Navy and were liable to be sent to China or Japan or the Philippines, or any place of that sort, and the service would not be as attractive to the surfmen who patrol the coast, would it?

Admiral COONTZ. It would not, provided they were taken away from their duties and put into general service. Of course, I look at the surf boatman as a sort of special branch, and should a merger between the Navy and the Coast Guard take place those changes would have to proceed with extreme slowness in order that no harm whatever might be done. In times past the Navy, for instance,



merged the line and engineer corps, and did it very gradually, so that it would naturally come down to a normal standing, and in my judgment the present surfmen would never be called away from their duties except in war time, when we needed big, strong, strapping men for legitimate sea duty.

Mr. STINESS. It was stated here yesterday by a witness that he thought that all services that used vessels should be under the Navy Department, or under one head, and instanced the Lighthouse Service. What is your opinion about that?

Admiral COONTZ. I am of the opinion that the Lighthouse Service should be under the Navy Department, just along the lines of economy.

Mr. STINESS. And also the Public Health Service and the Coast and Geodetic Survey?

Admiral COONTZ. I think that the Coast and Geodetic Survey should be under the Navy, and always have thought so. I have personally served in the Coast Survey in years back when the Navy manned their ships and did the survey work; that is, did the boat work and so on. As to the Public Health I have never given that question a thought and I do not know.

Mr. STINESS. Yesterday something was said about the purchase of supplies, purchase of rations, and things of that kind. The Navy has a very large amount of supplies at the present time, has it not?

Admiral COONTZ. Yes, sir; very large.

Mr. STINESS. More than you have any use for?

Admiral COONTZ. Yes, sir.

Mr. STINESS. Could not that surplus be transferred by Presidential order, or by some other means, to the Coast Guard and other departments of that kind?

Admiral COONTZ. Yes, sir; and as regards various departments, I think a great deal of that is going on now. I do not know that it would even require a presidential order; but if so, it could be easily handled.

Mr. STINESS. I meant that there was some agency, and in the last analysis it would probably be a presidential order.

Admiral COONTZ. Yes; and if such a condition should exist, there is no reason why it should not immediately come to pass in the line of economy.

Mr. STINESS. Both the Coast Guard Service and the Navy are very short of officers and men now, are they not?

Admiral COONTZ. Yes, sir.

Mr. STINESS. Under this proposed plan would you take away the Coast Guard people and put them immediately into the Navy?

Admiral COONTZ. No, sir.

Mr. STINESS. Then what plan would be worked out?

Admiral COONTZ. If the plan came to me, they would carry on as they are now until we could settle on a proper basis for a slow transfer, the idea being that the gain to the Navy of Coast Guard officers of experience would put us in better shape to train the new blood that is coming in.

In other words, they would already be prepared to assist in that line, and, as the months and years would go by, the newer and



younger men from the Naval Academy, for instance, would be trained in Coast Guard work and the Coast Guard officers would go on up, some of them, finally on battleships and as high as they propose to go. It would have to be a slow and reasonable process. During the war we took them and handled them in various ways from command of ships abroad to handling our own training stations in the United States, and there was little or no trouble or friction. They fitted right in. Their experience was very valuable to us in war time and they filled very important positions.

Mr. STINESS. I suppose you are aware that the Coast Guard has been very short of men.

Admiral COONTZ. Yes, sir.

Mr. STINESS. And a number of the vessels have been laid up because they have not had the crews to man them.

Admiral COONTZ. Yes, sir.

Mr. STINESS. And a number of the stations where the Coast Guard could not get enough men to run them have been abandoned. Now, what would be your proposition—to have recruiting done for the Coast Guard ahead of recruiting for the Navy?

Admiral COONTZ. No, sir; my proposition would be that they should go hand in hand, and we should decide whether those Coast Guard stations are more important than some of the functions exercised by the Navy or vice versa. For instance, we have those propositions to meet every day. We now have these radio direction stations along the coast where a ship comes in and calls up and get one line here and one here, and tells right where it is at sea. We have not even men enough in the Navy to man those stations, and the Coast Guard would have a proposition similar to that, for instance. We would then have to decide which was the more important, and act accordingly.

Mr. STINESS. Before the recent pay bill was passed, there was a great deal of dissatisfaction among the members of the Coast Guard because they were not on an equal footing with the Navy, was there not?

Admiral COONTZ. I do not know about that, sir. I knew there was—I will not call it dissatisfaction, but they felt very badly because the younger ones did not get sufficient money to live on.

Mr. STINESS. They are resigning in larger numbers?

Admiral COONTZ. Yes, sir.

Mr. STINESS. That shows dissatisfaction?

Admiral COONTZ. That shows something.

Mr. STINESS. Evidently it shows dissatisfaction. That is all.

Mr. CAMPBELL. Do you think that the Coast Guard administration headquarters could be taken over by the Navy forthwith and operated without increasing the personnel of the Navy other than those they may draw upon from the Coast Guard administration?

Admiral COONTZ. My idea is that this is going to decrease the cost to the Government, and therefore in the combined administrative positions the numbers are going to decrease.

Mr. CAMPBELL. In the equipment of the Coast Guard and that contemplated, is it your understanding that they contemplate having any large ships of 10,000-ton capacity?

Admiral COONTZ. I had not heard of any.



Mr. CAMPBELL. If the equipment of the Navy was brought into use by the Coast Guard, would not that permit them to perform duties which are impossible for the Coast Guard to perform frequently at times when a 10,000-ton ship is necessary to make a rescue or to perform the work?

Admiral COONTZ. The idea is to have all the facilities available and you could send a larger one if necessary.

Mr. CAMPBELL. The Coast Guard has not those large ships?

Admiral COONTZ. Not at present.

Mr. CAMPBELL. And does not contemplate having them?

Admiral COONTZ. I think not.

The CHAIRMAN. In connection with an S. O. S call by a vessel at sea, do not the vessels of the Navy come to the rescue?

Admiral COONTZ. Yes, sir; and so do the vessels of the Coast Guard. All this winter we have had troubles off the coast of Maine, for instance, and the Navy and Coast Guard would work in common. Maine was frozen up for months. We had to send up there to break out the ice and all sorts of things. We have worked in very close conjunction with the Coast Guard here in Washington. Our district commanders in the various districts have also done so. Sometimes they would send their vessels and sometimes we could and we worked in common.

The CHAIRMAN. It does not require congressional action to transfer vessels from the Navy Department to any other department of the Government?

Admiral COONTZ. No, sir.

The CHAIRMAN. So that would be a matter of arrangement between the departments and the Executive order could carry out the arrangement?

Admiral COONTZ. Yes, sir.

The CHAIRMAN. The term of enlistment in the Navy is four years?

Admiral COONTZ. It is now two, three, and four years.

The CHAIRMAN. It was four years?

Admiral COONTZ. It was originally four years. It has recently been decreased so that we could really increase the enlistments.

The CHAIRMAN. The Coast Guard enlistment is for one year?

Admiral COONTZ. I think so.

Capt. REYNOLDS. Yes, sir.

The CHAIRMAN. Would the one-year term induce enlistments?

Admiral COONTZ. I believe it would in the Navy, especially if they felt that they had any opportunity for a cruise to South America or Europe. We are just going through that stage fitting out the ships to carry the midshipmen on a three months' cruise to the Pacific, including Honolulu, and we opened the doors to the reservists and the ships were filled. Otherwise we would probably not have been able to send them.

The same thing has come up now when we are sending a vessel to Europe, the first to go, that is to touch at Antwerp for the Olympic games. We said to the reservists that wanted to go, "Come in," and the ship was pretty easily filled up. The term of enlistment was naturally attractive, especially to a young boy who is not certain whether or not he will like the life, much more attractive than a four-year term which sounds like a long time to a young man.



Mr. WINSLOW. To what do you attribute the smallness of the enlisted number of men in the Navy?

Admiral COONTZ. I attribute it to the reaction and unrest that always follow a war. The war kept these men away from home a long time, for instance, our men in the North Sea were held well over a year away from home; to the extreme high wages in civil life, to the high wages of the Shipping Board, and to the fact that the pay bill was so many months in process of being passed.

Mr. WINSLOW. What is your idea as to the probabilities of the immediate future?

Admiral COONTZ. The probabilities of the immediate future are that we will slowly but surely gain. The gain has already started with extreme slowness and now, instead of steadily losing each week and month as we have for a long time, we are actually making a slight gain. I noticed just before I came down here, I guess it was the week before last, that we went ahead 30.

Mr. WINSLOW. To what do you attribute the reason of the running away, so to speak, of men from the service, and the possible increase, aside from the local reasons, and of these attractive trips which you have mentioned?

Admiral COONTZ. I do not attribute it to any other cause except that a man comes and tells a boy getting \$33 a month that he is getting \$8 a day outside.

Mr. WINSLOW. I meant to put it the other way. It would seem from what you say that the unwillingness of the young men to enlist has been arrested and the peak had been reached and you were building up again?

Admiral COONTZ. The reason for that is this: The pay bill has passed and the second reason is that the young men out in the country who were too young to be in this war hear the tales from the soldiers and sailors returning as to what happened to them at sea and in Europe and they get the fever, and come in and join.

Mr. WINSLOW. Would you hazard an opinion as to whether that interest in the Navy, for the reasons you have assigned, will absolutely increase?

Admiral COONTZ. We hope it will increase, because there has always been the lure of the sea, and there are young men who will come back.

Mr. WINSLOW. Have you ever heard any discussion with reference to the differential that exists between the pay of enlisted men at sea and the pay for men on land, which would still make possible the enlistment of men in the Navy?

Admiral COONTZ. Yes, sir. The things that go with the enlistment in the Navy—the travel, the medical attention, the possibilities of rise, and finally the question of retirement or pension after 16 or 20 years—should be sufficient, in a great measure, to overcome the high wages in other places.

Mr. WINSLOW. Would you think that the difference which now exists and may continue for a little while would be enough to seriously affect the enlistments in the Navy?

Admiral COONTZ. I think it will seriously affect them to the extent that our increase in numbers will be exceedingly slow until times are harder outside.



Mr. WINSLOW. Have you any way of contrasting the quality of the men now enlisting as compared with the quality that enlisted three or four or five or six years ago?

Admiral COONTZ. Yes, sir. The quality is not so good, both physically and, to a lesser degree, mentally; that is on account of the extreme youth of those enlisting, as a rule. For instance, we have only 20,000 men who have ever been in the Navy, as against 85,000 who are brand new. We found, particularly in the fleets within the last three or four months, that they come out all right after they grow and get experience. The experience in the fleet has been most flattering recently as to how these young fellows came out.

Mr. WINSLOW. Have you any system of training, vocational or classroom, in the Navy for the enlisted men?

Admiral COONTZ. Yes, sir. We have various training stations and training schools in the line of electricity and ordnance at various points, and we feel that the Navy itself is one of the best training schools in that line of trade aboard ship and so on.

Mr. WINSLOW. What is your opinion, Admiral, as to the present and ultimate value of that opportunity being granted to these young men?

Admiral COONTZ. I think it is a remarkably good opportunity, because the young man who has been to sea and has his trade and has the value of travel, which is a great experience, is much better fitted as a citizen when he returns to civil life; that everything he has undergone in the Navy along those lines makes him a better citizen.

Mr. WINSLOW. Does that impress the youths of the country to the extent of their enlisting more freely by virtue of those opportunities?

Admiral COONTZ. I think it does to some extent, but, on the other hand, a youth of 16 or 18 years has never had brought home to his brain those problems; his parents may have, but it comes to him later, after he has been through the enlistment, and so forth, and it should have enough weight to outweigh the small pay he gets.

Mr. WINSLOW. Do you remember any combination of Government departments which has actually resulted in economy of operation when combined?

Admiral COONTZ. I can not say either yes or no. I do not recall any at the present time.

Mr. WINSLOW. I think the general experience, outside of that growing out of the combination of industries, has not been that the economies which were contemplated have been effected, and that, possibly, the expenditures for overhead and so forth have been increased rather than diminished. I noticed that you laid particular emphasis on the economy. In order to follow up that inquiry, how seriously do you really believe in economies of combination, aside from all other considerations?

Admiral COONTZ. My particular experience regarding that, as I said, was not the very best. For instance, the Naval Academy can hold 3,200 midshipmen and has about 2,000 and has room for 1,200. Every base not only has an officer of some rank but has connected with it possibly two or three or four or five others. If those activities were transferred to the Navy they would be reduced. There is a district commandant for the Navy in our 15 districts. There are



district commandants for the Coast Guard. There ought to be only one under this combination. I suppose there are various offices, and so on, rented for the Coast Guard, and there are now vacant spaces in the navy yards which would hold those offices and they would be gradually merged. In a small service like the Coast Guard being merged the economy in actual sums might not be very large, but I think it would be a large percentage. I have seen it estimated as an annual gain of anywhere from \$400,000 to \$1,000,000.

Mr. WINSLOW. Has that comparison been reduced to tabulation so as to indicate wherein the savings would occur?

Admiral COONTZ. That I do not know, Mr. Winslow. I have not looked into this matter except on broad lines. I have considered it on the general line of policy. I do not know.

Mr. WINSLOW. Are you aware of any statistics which would demonstrate the economies of operating the two branches?

Admiral COONTZ. I am not aware of any statistics.

Mr. WINSLOW. You are not familiar with any comparison which anyone has ever made as to the efficiency of the operating forces of the two departments?

Admiral COONTZ. No, sir. I have heard that comparisons have been made, but I never looked into them.

Capt. REYNOLDS. I notice that there are two bills before the committee, H. R. 5516 and H. R. 11230. Both are of great importance, both to the Navy and to the Coast Guard. They differ materially in certain points. I should like to know if Admiral Coontz approves of the bills, or either of them, in its entirety, with regard to that bill which provides for the transfer of the Coast Guard to the Navy.

Mr. CAMPBELL. I do not understand that we are concerned with the bill H. R. 11230. The only point—substantially the real object—is to accomplish the transfer of the Coast Guard, which is provided for in H. R. 5516. The other bill goes more elaborately into the details with reference to the organization after the transfer is effected.

Capt. REYNOLDS. The detail is very important to be known before the transfer is made.

Mr. CAMPBELL. You are assuming that the transfer is going to be made?

Capt. REYNOLDS. No. I wish to get this affirmatively before the committee.

Mr. CAMPBELL. The hearing is on the bill H. R. 5516.

Capt. REYNOLDS. I beg pardon. I thought it was on both measures.

The CHAIRMAN. The whole matter is open for discussion.

Capt. REYNOLDS. The chairman stated in his opening remarks that the hearing would be on both bills. I may be mistaken as to that.

Mr. CAMPBELL. The chairman said that the hearing would be on both bills, but that he thought it would be better to have the hearing on the proposition of the transfer, and not the details after the transfer has been effected. The bill H. R. 11230 provides for a separate establishment for the Life-Saving Service after it goes under the Navy.

Capt. REYNOLDS. And it differs also in other particulars from the bill H. R. 5516.

Mr. WINSLOW. Admiral, I should like to ask you one or two questions. I do not want to embarrass you by asking you to say any-



thing that you think you ought not to say—this is not a committee of persecution.

From an economical point of view, with particular reference to efficiency, do you think that the Navy system of constantly changing the heads of departments brings the best results to the Navy and to the country?

Admiral COONTZ. Do you mean the head of the civil department or the Navy Department?

Mr. WINSLOW. I refer to the Navy Department. For instance, I speak of one thing that comes to my mind. We have a great Department of Ordnance, which I suppose is a highly specialized department, with every little while a new head. Some one with all the accumulated knowledge of the man at the head virtually vaporizes, and when he goes out a new man breaks in. In a commercial undertaking we would think that folly, as a rule.

We see it in the Army and Navy constantly, and I have felt like a good many others at this end of the Government work, that there were too many men at times new on the job, unfamiliar with the details and unable to give you a prompt answer, not because of any fault on their part, but because of the system, as we regard it. With those statements of mine in your mind, coupled with your own experience, I should like to ask if you think the efficiency of the Navy, through thick and thin, for all times, is benefited by the constant changing of the heads?

Admiral COONTZ. I think that the system as used in the Navy of changing the heads of bureaus, who are generally appointed for four years, is most admirable. I think that the change brings in new blood, new ideas, new thought. The men who are picked for those jobs, as a rule, have had experience in lower grades along those lines, and they bring that knowledge to the new duty. The Navy down at the bottom and in the final summing up is the fleet, and we must have in Washington officers who have been in the fleet and know the needs of the fleet. Therefore these changes are good. They are also good because we may have put the wrong man in, and we want to get proper men in these billets. In civil life possibly it is better to have the long-continued tenure, and yet, on the other hand, we know that a great many of those with long tenure go to seed, and that they steadily deteriorate. We feel that the new blood coming into these positions in the Navy adds to our efficiency.

Mr. WINSLOW. If we want to find out anything up here from any department—if we really want to know—we have to go to the chief clerk who is permanent, and he refers us after a while to somebody or another, and after going to four or five people we finally get to the proper person. It would seem to me that any system which is so uncertain is not a system for efficiency. I am not speaking of the question of the assistants, but I am speaking of the heads of the departments.

Admiral COONTZ. The chief clerk would know nothing of the technical work. The chief of the bureau and his immediate assistants would have all the information at their command, as far as I know, necessary to perform their duties.

Mr. WINSLOW. Of course, I am not going to get personal in this matter, but using you as an illustration, and purely one, let us assume



that you have been at sea for three years, and that you come in as the head of the Bureau of Operations. You would not assume, of course, and neither would we nor anybody, probably, that you knew the operations of the department intimately, and you would have to feel around and fish about for a while; you would be dependent on the men under you who had been there steadily, only that you know something as an executive and you would rise to the occasion, I have no doubt, but meanwhile is the department benefited by virtue of your coming in, or would it be better to have a man of equal capacity who, on the basis of his usefulness, fitted in there and stayed on as the executive?

Admiral COONTZ. It is benefited by the change, by the officer who has just come from sea, because the man staying here may have been imbued with certain ideas that might possibly be actually crude and he had not gotten them out of his system. A new man comes in and listens to what they have to say. The Bureau of Operations is just run on the line of a battleship. I do not know an admiral in the Navy who could not come in and in two weeks master the entire details and know just what is going on. He is fresh from the fleet, he knows them, and he knows what their difficulties are, he knows the plans for readiness in case of war and he is familiar with the war plans, and he knows how to make them. It takes a man no time at all; he does not have to depend long on anybody else.

Mr. WINSLOW. Your thought is that the system is the best?

Admiral COONTZ. Yes, sir; it has been tried out for nearly a hundred years.

Mr. WINSLOW. That is our trouble now. We have men in the departments who look like they have been there a hundred years and who do not do an hour's work in a week.

Mr. MONTAGUE. Following the inquiry made by Mr. Winslow, would it improve the morale to bring about these changes?

Admiral COONTZ. You mean in the chiefs of bureaus or in the Coast Guard?

Mr. MONTAGUE. Not the Coast Guard, but does it improve the morale of the Navy to have these changes?

Admiral COONTZ. Yes, sir.

Mr. MONTAGUE. You can not keep a man at sea all the time?

Admiral COONTZ. No, sir; nor should you keep a man on shore all the time.

Mr. MONTAGUE. There is knowledge to be gained from either assignment, so to speak?

Admiral COONTZ. There is knowledge to be gained in every position. For instance, I feel that the all-round naval officer should never take the same ship or job twice. He should go to an inspection plant, he should go to an industrial yard, he should go to the naval stations, he should have a tour at the Naval Academy, at the War College, take an electrical course, an ordnance course, round out a general education, because he is called on to know something about every one of those duties.

Mr. MONTAGUE. Does our Navy differ from the other navies of the world; do they generally follow the same line of administration?

Admiral COONTZ. The administration line is different in different navies. I consider that our Navy is the Navy that makes the all-round officer. In certain navies they have navigating officers. I



have heard where a ship had to wait because the navigator died, while in the case of our Navy the next man would go up and take the position. Some navies have ordnance officers, while our people go the broad straight road; they are watch officers, ordnance officers, first lieutenants, navigators, executives, captains, and admirals; they have the all-round knowledge.

Mr. MONTAGUE. For example, in the English Navy do they take a man, just as we do, from the line and put him in the department for a certain length of time?

Admiral COONTZ. I think they do in the admiralty. In the other stages they keep the man along the same lines all his life. I do not believe that they have that all around freedom that we have for the various officers.

Mr. SIMS. Did not Congress a few years ago pass a law requiring that a naval officer, after he had a certain period of shore duty, must go to sea?

Admiral COONTZ. The law requires, in the line, before promotion that you must have a certain amount of sea service in each grade. That was temporarily suspended during the war, but will again go into effect. Congress named a certain date and that means in each grade the line officers have got to go to sea. That does not refer to certain staff bureaus where they are non-seagoing.

Mr. SIMS. Would not the tendency to keep a particular officer in a particular line have a tendency to make him an expert in that line and nonexpert in everything else?

Admiral COONTZ. Yes, sir. He is liable to build up a small coterie around him that might be more or less permanent that would not be inducive to efficiency, and the change obviates any possibility of that.

Mr. SIMS. It seems to me that is the most reasonable, common sense view of it.

Mr. MONTAGUE. It brings about too much inbreeding, so to speak?

Admiral COONTZ. Yes, sir.

The CHAIRMAN. I remember in the Committee on Military Affairs in 1903 when the Army reorganization bill was passed and we provided for the detail system, I know that one of the arguments presented in support of the legislation was that it might lessen or destroy bureaucracy.

We will now be glad to hear Admiral Washington.

#### STATEMENT OF REAR ADMIRAL THOMAS WASHINGTON, CHIEF BUREAU OF NAVIGATION.

Mr. CAMPBELL. Admiral, you are conversant with the provisions of H. R. 5516, with reference to the permanent transfer of the Coast Guard from the Treasury Department to the Navy Department, and I would be glad to have you tell the committee why you favor that measure and why you think it means more efficient service and increased economy to the Government.

Admiral WASHINGTON. Well, I favor the transfer in general, but the subject matter of the bill is one that would have to be gone into a little more thoroughly than I have done so far. On the whole, I think that economy and efficiency would result by the transfer. There would be considerable saving of overhead charges; and the



size and number of vessels of the Coast Guard are such that the Navy for quite a number of years hence could meet all the requirements without calling for new vessels. If the Coast Guard was transferred, we would require that their number of enlisted men be added to the naval personnel, because the entire naval personnel is now needed for manning the vessels of the Navy, and there should be authorization to continue to carry on with that additional number to the present Navy allowance. Our present allowance is about 143,000, and I believe the Coast Guard requires about 4,500; is not that right?

Capt. HARRISON. Yes; I think so.

Admiral WASHINGTON. So we would want that number. The number of officers transferred under the existing law would be automatically carried along from year to year and replaced from the Naval Academy, as we are allowed a percentage of officers on the number of our enlisted men, and therefore the question of officers would be a matter which would be readily adjusted.

There would be a great deal of saving in many ways. For instance, the Coast Guard headquarters here in Washington would not have to be carried on. The offices in Boston, New York, San Francisco, and elsewhere could be easily taken up and the work carried on by our naval district commanders, which cover practically the same areas. All the work of the repair station near Baltimore could be conveniently done at the navy yards. Wherever the work is duplicated, for instance, the Navy could absorb it without any difficulty.

Mr. CAMPBELL. It would be some time before the Navy would have its authorized complement of men, and the Navy is under that number now. They could absorb all the enlisted men in the Coast Guard and they could render service in the Navy and still perform the duties of the Coast Guard without additional expense, could they not?

Admiral WASHINGTON. Yes, sir; there would be less expense.

Mr. CAMPBELL. And is it not more attractive for young men to go into the Navy than it is the Coast Guard, inasmuch as the Navy provides vocational training whereas the Coast Guard does not?

Admiral WASHINGTON. I should think it would be more attractive.

Mr. CAMPBELL. And if they made the term of enlistment in the Navy one year like it is in the Coast Guard at present, would not that attract more young men to the Navy and would they not prefer the Navy to the Coast Guard when they consider they would have this opportunity for vocational training?

Admiral WASHINGTON. The opportunities afforded enlisted men in the Navy, of course, are very much better, but I do not know whether the men who would enlist in the Coast Guard would care to go—to enlist for one, two, three, or four year enlistments; in fact, as early as practicable, we are going to stop the two and three-year enlistments and enlist only for four years. I do not like to have it less than four years, and that will be done as soon as practicable. Now, whether the same men as now serve in the Coast Guard would be as willing to go into it for four years or as for one-year periods, I do not know, but we would not have any difficulty in filling up our quota of 147,000 if they were added to us.

Mr. CAMPBELL. If perchance the Navy should decide not to go back to the four-year enlistment, and if you would enlist 50,000 men



for one year, and 60 per cent of them would remain in at the end of the year, whereas if you had a four-year enlistment you could only enlist 20,000 men, would you not be better off at the end of the 12 months.

Admiral WASHINGTON. We do not want one-year men.

Mr. CAMPBELL. But the one-year men would reenlist.

Admiral WASHINGTON. You could not very well send a ship on a foreign station with one-year men.

Mr. CAMPBELL. That is true.

Admiral WASHINGTON. On the belief in advance that they might reenlist, because they might not live up to that agreement, and if we had to let them go after the expiration of that year, we might probably be in an uncomfortable position due to the ship being very short-handed.

Mr. CAMPBELL. You have innumerable instances where the term of enlistment of a number of men is about to expire, and you could not send those men on a long cruise?

Admiral WASHINGTON. That is true.

Mr. CAMPBELL. But would they not be available for this Coast Guard work?

Admiral WASHINGTON. Yes.

Mr. CAMPBELL. And therefore you could take your long-term men for service at foreign stations, and would not that be economy to the Government?

Admiral WASHINGTON. Yes.

Mr. CAMPBELL. That is the point I wanted to bring out.

Mr. MONTAGUE. Admiral Washington, I assume you are well acquainted with the duties of the Coast Guard?

Admiral WASHINGTON. In a general way; yes, sir.

Mr. MONTAGUE. I would like, therefore, to ask you this question: Are the major duties of the Coast Guard of a financial or a maritime character?

Admiral WASHINGTON. Maritime.

Mr. MONTAGUE. Would you say equally so or preponderatingly so?

Admiral WASHINGTON. I should say, by far the greater part of the work of the Coast Guard is of a maritime character.

Mr. STINESS. Could the work of the surfmen of the Coast Guard in carrying their lifeboats out to sea in storms be taken up by the 16 and 18 year old boys who are in the Navy?

Admiral WASHINGTON. Well, those 16 and 18 year old boys are getting older every year.

Mr. STINESS. Precisely.

Admiral WASHINGTON. They are developing every year, and there are not so many of them.

Mr. STINESS. But it requires extra service and requires the men to be seasoned and to know the waters and to know how to row and stand fatigue, which is a training the boys in the Navy do not have.

Admiral WASHINGTON. They do not have as much as they formerly had.

Mr. STINESS. And the majority of the men in the Coast Guard are men of 25 or 30 years of age, or somewhere along there.

Admiral WASHINGTON. I think so; yes, sir.



**STATEMENT OF REAR ADMIRAL C. J. PEOPLES, ASSISTANT TO THE PAYMASTER GENERAL, UNITED STATES NAVY.**

The CHAIRMAN. Admiral, please give your name and rank to the committee.

Admiral PEOPLES. C. J. Peoples, rear admiral, Supply Corps, United States Navy, representing Rear Admiral Samuel McGowan.

Mr. CAMPBELL. Admiral, I would be glad to have you tell the committee the reasons you would assign for the permanent transfer of the Coast Guard from the Treasury Department to the Navy Department and why you think it would be the means of procuring increased efficiency, based on your experience in the Navy.

Admiral PEOPLES. From a supply department point of view, the Navy has its large supply establishments at every navy yard and station where there are stored supplies and materials and equipage required for the vessels of the fleet. The supplying of the comparatively small number of vessels of the Coast Guard is a very small factor compared with the volume of business in supplying the main fleet itself. Those vessels could be absorbed into the fleet and the work could be done without being noticed; in other words, it would be a very simple proposition. It would reduce, probably, establishments that were separate and apart from the supply departments belonging to the Navy. They would immediately be closed up in so far as practicable. The vessels of the Coast Guard would use the same character of supplies and equipage that are issued to the regular naval vessels. They would all be purchased in the same way, accounted for in the same way, and issued in the same way.

Mr. CAMPBELL. And by reason of being purchased in larger quantities they could be procured at a lower price?

Admiral PEOPLES. They are now; yes, sir. That is a fundamental principle of business.

Mr. CAMPBELL. And there would be a saving in that respect in addition to the saving in the overhead.

Admiral PEOPLES. Yes, sir; their work would be simply absorbed into the larger establishments which we now have.

Mr. CAMPBELL. You mean with the same personnel and without any additional expense?

Admiral PEOPLES. Yes, sir. As I understand it, the Coast Guard have about 40 vessels, the largest of which is somewhere in the neighborhood of 1,200 or 1,500 tons. That corresponds to a fleet of about 40 destroyers, and it is a comparatively simple matter to supply equipage and supplies to 40 destroyers.

Mr. STINESS. For the same economic reason which you give for the transfer of the Coast Guard, is it your opinion that it would be well to transfer the Lighthouse Service, the Coast and Geodetic Survey, and the Public Health Service to the Navy?

Admiral PEOPLES. That particular phase of the matter, sir, I have not considered.

Mr. STINESS. If the Navy can buy so much cheaper, the same reason that would apply to the Coast Guard would apply to the other services, would it not?

Admiral PEOPLES. Yes, sir; unless the character of their supplies is vastly different from naval supplies.



Mr. STINESS. You know in a general way the character of the supplies of the Lighthouse Service and the other services?

Admiral PEOPLES. Yes, sir; their business is comparatively small, and the same principle would apply.

Mr. STINESS. If it is so much smaller they would have to pay higher for their supplies, would they not?

Admiral PEOPLES. They undoubtedly do; that is a fundamental principle of business that has been proven in our experience in supplying the Navy during the last 25 or 30 years.

Mr. STINESS. For that reason, do you think they ought to be transferred to the Navy?

Admiral PEOPLES. From that viewpoint; yes, sir.

Mr. STINESS. You have your naval repair shops. Are your ships in the Navy repaired up to date?

Admiral PEOPLES. That is a question, sir, which Armiral Coontz should answer, because the progress and status of repairs—

Mr. STINESS (interposing). I asked your opinion for whatever it may be worth.

Admiral PEOPLES. My opinion is that the repairs on all the vessels of the fleet are up to date in so far as it is practicable to make them so.

Mr. STINESS. What do you mean by that?

Admiral PEOPLES. I mean by that that during the war the repairs on the vessels necessarily were more or less set aside for the mission that the vessels had to perform, and all those vessels are being repaired just as quickly as the navy yards can put them in proper condition.

Mr. STINESS. Are the navy yards in condition to do it quickly and promptly at present?

Admiral PEOPLES. They are, sir.

Mr. STINESS. If the repair shops of the Coast Guard were transferred to the Navy repair shops, could they have quick and efficient repairs made?

Admiral PEOPLES. They could, sir. Of course, you must bear in mind in connection with that question that the repairs to a vessel or to various vessels of the fleet are going on at various times. A ship is repaired and put in good condition and sent to sea and put into active service. She will be kept so, say, for a period of two or three or four or five years, until it becomes necessary to repair her again; but, in the meantime, there are other vessels that are going through the same process, so repairs in navy yards are constantly continuing.

Mr. STINESS. If you had more repairs to make by reason of the transfer of the Coast Guard, you would have to have more men, would you not?

Admiral PEOPLES. As I stated before, sir, the number of vessels belonging to the Coast Guard is so comparatively small that it would hardly affect the facilities of the navy yards to keep them in proper repair.

Mr. STINESS. If you have not men enough in your repair shops to repair the fleet at the present time, and you add what there is of the Coast Guard to that number, necessarily you would have to have additional men to make those repairs, would you not?



Admiral PEOPLES. We have enough men now, sir. The only question that controls the number of men is the amount of money available for repairs to vessels in the fleet. Repairs on vessels must be postponed in many cases due to the funds which are available to repair them.

Mr. STINESS. If you have not funds enough to repair the naval vessels, how are you going to repair the Coast Guard vessels in addition? You would have to have more money, would you not?

Admiral PEOPLES. There would have to be funds available for the repairs; yes, indeed; because every cent that is expended in labor and material must be provided for in some way, and in so far as repairs are concerned, and that sort of thing, there must be money appropriated, whether for the Coast Guard or for the Navy. It would be purely a question of utilizing the repair facilities and the plant equipments that are now available.

**STATEMENT OF CAPT. J. C. CANTWELL, SENIOR CAPTAIN, RETIRED, UNITED STATES COAST GUARD, SAUSALITO, CALIF.**

Mr. CAMPBELL. Capt. Cantwell, you have been in the Coast Guard for a number of years, and I would be glad to have you tell the committee why you think it would be advantageous to the service and to the Government to have the Coast Guard transferred to the Navy, based on your 40 years of service with the Coast Guard and the Revenue-Cutter Service.

Capt. CANTWELL. My opinion, Mr. Campbell and gentlemen of the committee, of the matter, gained from very long service in the Coast Guard and an intimate knowledge of its operations from every standpoint, is that this proposed bill is fundamentally one of a constructive nature; that it is a bill, if passed into law, will promote economy and efficiency in every direction without any injury to any portion of the Government service. To enable me to explain myself more fully to the committee, I will state that duplications are always expensive. I heard one of the members of the committee say to-day that the experience has been that by amalgamation of these different operations it has usually been the experience that more expenses have been incurred, but I can not see the necessity for that. I do not doubt that gentleman's experience, but I can not see that there is any necessity for any additional expense by destroying duplication, and we are certainly to-day employing duplicate establishments throughout several departments of the Government, and it has become so apparent that it is the purpose of this Congress, I believe, to inquire into it very seriously with a view to destroying those duplications.

Mr. SIMS. And eliminate them.

Capt. CANTWELL. And eliminate them. As I understand this bill, it provides for the transfer of all of the activities of the Coast Guard to the Naval Establishment as a permanent feature of Government administration. In doing this we are faced with a very new condition. It may have been in the past impossible or impracticable to have done this. Numerous attempts have been made in the past, as you know, to have this transfer of the Coast Guard or Revenue-Cutter Service to the Navy accomplished, but it has failed for one reason



or another, but never were the conditions the same as they are to-day. The Navy has been increased from a prewar basis of some sixty or eighty thousand men to 147,000 men. The Navy at the present time is short of both officers and enlisted men; so is the Coast Guard, but the transfer of these officers of the Coast Guard and men of the Coast Guard to the Naval Establishment will work for economy in governmental administration by reason of the fact that it does not increase the pay of the men or the officers one cent, because Congress has already allowed this increase of pay. It simply provides additional men for the Navy, additional officers, and additional enlisted men, and at the same time it does away with the Coast Guard entirely as a separate entity.

As I understand it, every duty which is at present performed by the Coast Guard will be performed by the Navy. If that were not true, I would not be an advocate of it, because I have lived so long in the Coast Guard and have been so intimately associated with the mercantile marine of the country that I would not feel justified in advocating this measure unless the Navy was sincerely willing, and even anxious, to take up all of those duties and perform them. In regard to certain questions which were asked by members of the committee yesterday, I would like to say to Gov. Montague, if I may designate a special member of the committee, since he asked, for instance, a question in regard to the performance of duties in the collection of the customs revenue—I want to tell the committee that those duties can be and probably will be performed by the Navy equally as efficiently as we have performed them. The Revenue-Cutter Service has gradually drawn away from duties in connection with the collection of the customs revenue by reason of changed conditions in the whole world of commerce. A hundred years ago it was probably necessary to guard our coast. To-day it is absolutely not necessary. If it is necessary, how is it that after a period of four months' active winter cruising of our larger cutters on the coast—seagoing vessels—that are practically laid up for eight months of the year with orders to remain in port unless called out to render aid? What becomes of the customs revenue collections during the eight months of practical inactivity? There is no necessity for it. There is practically no smuggling in bulk into the United States at this time except perhaps through false appraisals and incorrect invoices, with regard to which we can not have any possible cognizance in the performance of our duty.

Mr. MONTAGUE. You have nothing to do with that?

Capt. CANTWELL. We have nothing at all to do with that. There is a special department of the Government, called the customs-inspection service, and the appraisers who attend to all that business. We would not have a chance to exist as a service if we stopped a vessel on the high seas and searched her as we did 100 years ago. It would be considered by the public as an unwarranted interference with commerce.

Mr. SIMS. May I ask a question right there, Captain? During the eight months, when these cutters are practically idle, is there not as large a volume of imports, or perhaps larger, than during the four months when they are on active duty?



Capt. CANTWELL. I suppose there is. I know nothing about that. I never had any opportunity of learning anything about it. That was not a part of my business at all.

Mr. SIMS. In other words, if they rendered a valuable service for four months as revenue cutters with reference to the collection of customs, when the imports are less in volume than during the eight months when they are laid up, it would not seem that we would be authorized to keep them on active service four months and laid up eight months.

Capt. CANTWELL. That is my opinion so far as any assistance in the work of collection of the revenue is concerned Mr. Sims. In regard to certain small boats detailed for duty for the convenience of collectors of customs, in certain ports, that duty is not performed in its entirety by us. In the port of Norfolk, for instance, in the State which Gov. Montague represents, we have no vessel at that port to assist the collector of customs in the collection of revenue. That service is performed by a vessel controlled, owned, and managed entirely by the customhouse, and that is the situation in numerous other collection districts.

Mr. CAMPBELL. Mr. Chairman, I would like to ask the committee to excuse Capt. Cantwell at this point in order that the Secretary of the Navy may be heard.

The CHAIRMAN. It is apparent that the announcement that I made at the opening of the session will have to be disregarded and we will be glad now to hear the Secretary of the Navy.

#### STATEMENT OF HON. JOSEPHUS DANIELS, SECRETARY OF THE NAVY.

Mr. CAMPBELL. Mr. Secretary, the committee has under consideration H. R. 5516 permanently transferring the Coast Guard from the Treasury Department to the Navy Department, and we would be glad to have you enlighten the committee as to any views you may hold with reference to such transfer.

Secretary DANIELS. Mr. Chairman, I have here a written statement showing the benefits and the economies that would result to the Government if the Coast Guard was put under the control of the Navy. It is a statement showing how not only would the Coast Guard ships be available for all matters in reference to the protection of customs and all questions of revenue, but we would also have the naval ships for the same purpose; that we would save in many ways, and I should like to file this statement with the committee—

The CHAIRMAN. Very well.

Secretary DANIELS (continuing). Because I think it expresses in a more terse way the arguments in support of this bill. I might call your attention to the fact that if you were to put the Coast Guard under the Naval Establishment, you could save a large amount of money in a few ways. In the first place, you could abolish the Coast Guard Academy at New London, with all its costs. You could abolish the Coast Guard headquarters at Washington with its costs; you could abolish the repair shop at Arundel Cove with its cost; you could abolish the division commanders' offices at Boston, New York, San Francisco, and Seattle; you could abolish the Coast Guard store-



houses at New York and San Francisco, and this would make an annual saving of \$500,000.

Of the functions of the Coast Guard, none of them, except the matter of the protection of customs revenues, have anything whatever to do with the Treasury Department. They are all of them governmental agencies which ought to be in some department other than the Treasury, which is already overburdened with more duties than any other department of the Government.

The Department of the Treasury is not a navigating department. Its duties are fiscal, the raising of revenue, the control of the Federal reserve and the banks, and in my judgment the day is near at hand when, for reasons of economy and efficiency, this Government must put under the Navy all the navigation agencies of the Government. If the Coast Guard was under the Navy, it would not be necessary to employ only the Coast Guard vessels, if necessary, on customs matters. You would have the destroyers, you would have the gunboats, you would have the cruisers, and you would have every ship of the Navy when we were not engaged in war or in important maneuvers for that service in any part of the world. The Navy is divided into a certain number of naval districts, and instead of maintaining Coast Guard ships you would have a mobile police force composed of every ship in the Navy, Coast Guard vessels, destroyers, gunboats, and in addition I think the Government would save money.

It is the business of the Navy to train its men in navigation, and I think we are now duplicating a navigation department of Government, and I am quite sure the reasons, which I have set forth in this statement and which I think are conclusive, are all strongly in favor of the passage of this bill.

The CHAIRMAN. The statement will be printed as a part of your testimony.

Mr. MONTAGUE. Mr. Secretary, does your argument apply to the Lighthouse Service as well?

Secretary DANIELS. It would, indeed.

Mr. MONTAGUE. That relates wholly to maritime matters?

Secretary DANIELS. Yes; certainly. The Lighthouse Service at one time was in the Navy, and it was taken out of the Navy, as I understand it, solely because when the new Department of Commerce was created it was desired to have a certain number of activities for that department.

Mr. MONTAGUE. A very distinguished man named Raphael Semmes had much, if not more, to do with the development of the Lighthouse Service than any other man in American history?

Secretary DANIELS. He had a large part to do with it.

Mr. MONTAGUE. I do not know whether he was in the Navy at the time; I think he was.

Secretary DANIELS. I do not recall.

Mr. MONTAGUE. He was a man of very exceptional ability.

Secretary DANIELS. He was, and we have named a destroyer in his honor. I think, Mr. Chairman, that we must come to this policy I am advocating. Of course, during the war and the very great stress after war the opportunity has not presented itself for the executive departments and the Congress to take into consideration the readjustment of the functions of government where they will be best administered



and most economically administered and administered along lines that are more correlated, if I may use that term. With the adoption of the budget system, which I understand is to be adopted, and which I think is a long measure in advance, we ought to follow that up with such changes in departmental duties that will make each of the 10 departments of the Government have large and somewhat functions.

In the war the Coast Guard came automatically under the Navy; that is, when the World War began the Coast Guard was turned over to the Navy. We had to take the Coast Guard ships; we had to put guns on them; we had many repairs to make on those ships to make them available. If they had been in the Navy it would not have been necessary to turn them over, they would have been immediately ready or very nearly ready. Of course, the Treasury Department was using them entirely for its own purposes and not for naval purposes.

When the war came the Coast and Geodetic Survey ships came into the Navy; all of these ships came into the Navy. As a matter of fact, they never should wait to be assigned to the Navy in war, they should belong in the Navy in peace—they should be placed in peace where they are to be used in war.

The only argument I have heard that has had any weight with me for keeping the Coast Guard under the Treasury Department has been the one relating to customs and the collection of revenues. It would be a very simple matter, Mr. Chairman, for the Secretary of the Treasury to telephone to the Secretary of the Navy that he wished certain ships to be employed at New York, or Halifax, or Pensacola, or where not, to enforce the collection of the customs, and we not only would send the Coast Guard ships there but any ships that we had, and not being engaged in war, we would have the whole Navy available. I think that can be very well arranged, wisely and economically, in the interest of the Government.

The CHAIRMAN. Mr. Secretary, along this line of coordination a member of this committee has introduced a resolution including the Public Health Service, and in the Senate there is a resolution providing for an investigation of the 10 departments of the Government with a view to their coordination and the elimination of duplication. It may be, if such a commission is appointed, that as a result of their labors some of these things may be ironed out. The committee is laboring under some embarrassment in view of the fact that the two departments involved in this matter, the Treasury and the Navy, take diametrically opposite positions.

Secretary DANIELS. I understand.

The CHAIRMAN. Therefore the responsibility is upon the committee to solve the differences of the two departments.

Secretary DANIELS. I have had some discussion of the matter with my colleague, who believes, in view of the customs question, that the Coast Guard ought to remain under the Treasury. Now, his argument, in my judgment, would be stronger or would be worthy of greater consideration if you had only revenue cutters, but when the Coast Guard went into other operations and built other ships besides revenue cutters I think it lost its proper function. You speak of the Public Health Service. I know it to be a fact that the Secretary of the Treasury feels that that department of the Government ought not to be in the Treasury. I am certain that if you will ask the heads of the departments they would all say to you that certain



changes could be very wisely made in assigning the functions of the Government to the departments along lines so that each department would have one line.

For the Navy we do not ask anything except what concerns fighting and navigation. Ours is a seagoing business. If we have any functions on land disconnected with war or navigation, and which does not touch navigational instruments, then they ought to be taken away from the Navy. I do not think that this Government will ever be well rounded until the machinery is so regulated that each department of the Government has certain lines to follow. In my judgment, my own personal conviction, I do not think that the Treasury has any business with anything except the fiscal policies of the Government. They are so big and so onerous that the Public Health Service, the architect's department, and the departments of that kind should be taken out of the Treasury. The War Risk Insurance Bureau ought to be put under the Interior Department, where the pensions are. We ought in some wise way give the information to Congress, and Congress ought to enact some large measure for the distribution of the executive duties which would make it easy for your committees to take up these matters under a particular head.

The CHAIRMAN. Of course, these departments were created, and have just grown beyond the intention of Congress?

Secretary DANIELS. Exactly. In the first place, the Revenue-Cutter Service was put in the Treasury Department at a time when there was much smuggling and when the Treasury felt that it ought to look after the matter of customs revenue. There was an argument for that, and it was done. It has grown to be a very large service, a very important service. We found when we took it over during the war that it contributed a very great arm of the service, and we were enabled to use the Coast Guard on shore from Halifax down to Mexico as agencies for detecting any possible enemy activities on the coast. They were very efficient in reporting any suspected person anywhere who might make a base for the enemy. It was a splendid service; we tested them out. They have a fine body of men, and I am confident that the great body of the men in the Coast Guard Service feel that it ought to be transferred to the Navy. It is their proper function. They have no connection whatever with raising revenue and no connection whatever with the Ways and Means Committee as to spending revenue; they are on sea or they are on shore looking out for certain lines of duty intimately connected with naval activities and in war essential—essential in war for naval activities—and therefore in peace they ought to be in the Navy, so that you would not have to make any change from peace to war.

Mr. Chairman, a very bright naval officer sends me this paragraph. It is very brief, but it is illuminating:

The maintenance of the Coast Guard and of the Navy reminds one of the story of the farmer who had a cat and a kitten for which he built a house. He made a large door for the cat and a little door for the kitten.

Mr. WINSLOW. Does the existence of the Coast Guard Service interfere with or in any way hamper the operations of the Navy Department?

Secretary DANIELS. Hamper them?

Mr. WINSLOW. Yes, sir.

Secretary DANIELS. No, sir.



Mr. WINSLOW. They are not in the way?

Secretary DANIELS. They do not hamper us. In time of war they help us, because we take them over in time of war. If they continued separate, they would hamper us; but, of course, under the provisions of law they immediately are turned over to the Navy, and they cooperate with us very fully. I should like to put into the record just a very brief statement of the services of the Coast Guard in the war. They were in the Mediterranean; they were everywhere; and after their ships were made fit for naval service they did excellent work. I can not commend too highly their work. My own opinion is that they would have been immediately more efficient if they had been a part of the Navy than to have been taken over after war began.

(The statement referred to is as follows:)

EXHIBIT A.

UNITED STATES COAST GUARD'S SERVICE WITH THE NAVY DURING THE WORLD WAR.

NAVY DEPARTMENT,  
OFFICE OF NAVAL INTELLIGENCE,  
Washington, June 4, 1920.

Upon the declaration of the existence of a state of war, the Coast Guard, pursuant to the provisions of act of Congress approved January 28, 1915, entered at once upon its war-time duties as a part of the Naval Establishment. The entire personnel and matériel of the Coast Guard, consisting of some 240 commissioned officers, 400 warrant officers, and 5,000 enlisted men were joined with the Navy, and served with the Navy until by Executive order the transfer of the Coast Guard back to the Treasury Department was made August 28, 1919. Its vessels and personnel made a valuable addition to our forces afloat, and its experienced officers and men proved their worth in service with those of the regular Navy and Naval Reserve Force.

Six Coast Guard cutters were employed in convoy and escort duty in European waters, the *Ossipee*, *Seneca*, *Yamacraw*, *Algonquin*, *Manning*, and *Tampa* forming a part of our forces on Gibraltar, which escorted hundreds of vessels between the Mediterranean and Great Britain. It was while engaged in this duty that the *Tampa* was lost, with all her gallant officers and men, sunk at night in the English Channel by mine or torpedo. Only a short time before Rear Admiral Niblack had commended the *Tampa* in the warmest terms, recalling that it had steamed an average of 3,566 miles a month, being under way more than 50 per cent of the time; had escorted 18 convoys and had been kept in a state of high efficiency with an excellent ship spirit. This was typical of the service of the Coast Guard cutters in the war zone, and of the excellent record made by the Coast Guard while operating with the Navy.

Submarine attacks were sustained by Coast Guard vessels in the war zone as follows: *Ossipee*, 5; *Yamacraw*, 1; *Seneca*, 5; *Manning*, 1; *Tampa*, 1; *Algonquin*, none.

The following table shows the dates of arrival, etc., in the case of each Coast Guard vessel doing duty with the United States patrol squadrons based on Gibraltar:

Name of vessel.	Date of arrival.	Date of departure.	Reason.
<i>Ossipee</i> .....	Aug. 30, 1917	Dec. 21, 1918	Demobilization; returned to United States.
<i>Seneca</i> .....	Sept. 4, 1917	( <sup>1</sup> )	
<i>Manning</i> .....	Sept. 16, 1917	Dec. 11, 1918	Do.
<i>Yamacraw</i> .....	.....do.....	Dec. 7, 1918	Do.
<i>Algonquin</i> .....	Oct. 16, 1917	Dec. 21, 1918	Do.
<i>Tampa</i> .....	Oct. 27, 1917	( <sup>2</sup> )	

<sup>1</sup> Retained in European waters and fitted out for salvage purposes at Brest.

<sup>2</sup> Sunk Sept. 26, 1918, by enemy torpedo.



Our ships arrived at Gibraltar at practically the time when the convoy system was established.

The establishment of this convoy system in August, 1917, caused Gibraltar to become the port in which about one-quarter of all allied tonnage touched.

October, 1917, it was decided that convoys between Gibraltar and the British Isles should be provided with one escort vessel, as an "ocean escort," to protect them throughout the passage and to assist in radio communication and in preventing straggling of ships in convoy. Thereafter until the conclusion of hostilities the two naval cruisers, *Birmingham* and *Chester*, and the six Coast Guard vessels were used exclusively for this purpose. The naval gunboat *Sacramento* and the yacht *Nahma* were for a short time assigned to this same duty. For about seven months the vessels above named carried on all the "ocean escort" duty with mercantile convoys between Gibraltar and the British Isles.

United States patrol squadrons based on Gibraltar were under command of Rear Admiral H. B. Wilson, United States Navy, until October 23, 1917, after which the temporary commander was Capt. C. L. Hussey, commanding U. S. S. *Birmingham* until November 25, 1917, when Rear Admiral A. P. Niblack, United States Navy, hoisted his flag on board U. S. S. *Nashville* and took command of the patrol squadrons.

In several cases during the war officers of the Coast Guard were appointed to command of naval vessels and of naval training stations and operating bases.

A number of officers and enlisted men of the Coast Guard were recommended for Navy decorations during the war the conspicuous service in the war zone and in home waters.

In addition to its services at sea the Coast Guard maintains a very important coastal communication system which was found to be indispensable to the Navy during the war, and it is vital that this should come under the Secretary of the Navy at all times in order that there may be avoided any confusion and lack of efficient operation during a period of transfer at the outbreak of war.

The following is from the Annual Report of the Secretary of the Navy for 1919. After describing the efficient performance of duty of the Coast Guard vessels detailed to the United States patrol squadrons based on Gibraltar, Secretary Daniels said, speaking of the Coast Guard as a whole:

"I wish to express my appreciation of the hearty cooperation of its officers and men, and of the way in which experience demonstrated the wisdom of the legislation which, in time of war, makes available the addition of this branch of our fighting forces."

Mr. WINSLOW. Mr. Secretary, I should like to ask what is your judgment as to the value of rotation, so to speak, in naval assignments or the assignment of positions to naval officers, as affecting efficiency and economy in the interest of the Government?

Secretary DANIELS. My judgment is that for any officer with navigational duties to stay on shore too long is a great mistake. We have a rule in the Navy to change from shore to sea duty. I think it would be extremely valuable to the Coast Guard if they were in the Navy, because no man would stay on shore very long; he would interchange his shore duty and his sea duty. My experience in connection with one or two officers—they are splendid men and of great ability—I have in view two of them now who remained on shore in the years 1909 to 1914, so long that when they went to sea the admiral of the fleet said to me, "You see that officer—Capt. So-and-so—he will never be an admiral." I said, "Why not?" He said, "He has been on shore too long. He should have been to sea." Sometimes when naval officers have been kept on shore a long period for some particular service an injustice has been done them. Every naval officer should go to sea, and his shore duty should be interchanged. I think that would help the Coast Guard as it helps the Navy.

Mr. WINSLOW. Do you speak of that with special reference to the benefit to the officers or the service?



Secretary DANIELS. The efficiency of the service.

Mr. WINSLOW. Suppose you take the case vice versa, is the land service improved by virtue of being frequently changed?

Secretary DANIELS. I think it is.

Mr. WINSLOW. How do you work that out?

Secretary DANIELS. In the same way as the seagoing part. A man on land after a while fails to get the seagoing point of view, and he emphasizes too much the land point of view, and therefore he ought to be familiar with both. The only way is to have an interchange of duty.

Mr. WINSLOW. Of course, we want to draw the line when it comes to the real top of the department.

Secretary DANIELS. I think any service that has any seagoing function ought to have an interchange of duty, land and sea. Of course, we can not keep any man at sea all the time. He is entitled to come home upon occasion and see his people.

Mr. WINSLOW. That I agree with right away. I had more particularly in mind the efficiency and economy of the department as a whole.

Secretary DANIELS. I think that the efficiency is greatly promoted by the interchange of duties.

Mr. WINSLOW. You feel that frequent changes in the heads of the departments is for the interest of the department?

Secretary DANIELS. I do, indeed.

Mr. WINSLOW. Would you feel the same way about a commercial business that had no Government connection?

Secretary DANIELS. Well, of course, I should say this: If a commercial business had its functions on sea and land it would be much better if the land man went to sea now and then and learned the duties of the men at sea. In the running of a banking house or a factory, making supplies, why, there is an advantage in the man sticking to his job; but we are speaking now of a service that has both land and sea functions. The only excuse for a man being on land in the Navy and the Coast Guard is because you must have somebody on land to make ready for the sea. As to every man on land in the Navy and in the Coast Guard Service his only duty on land is to get the seagoing people supplied and to look out for them. The sea business is the business; the land service is for furnishing the supplies and helping out. A man on land in the Navy is good only in so far as his services on land make the service afloat more efficient. Having been to sea he comes back and knows what is needed. Personally, I never have been to sea myself on the fleet or gone on any cruise afloat that I have not come back to Washington with a point of view that enabled me to be more efficient. When the Chief of Naval Operations was appointed I told him, "You ought not to stay in Washington; you ought to have your department so organized that you can go to sea a couple of months in the year." I think that ought to be carried out. The Chief of Naval Operations recently went down to Guantanamo and came up with the fleet. He was there during their practice. Any navigational officer ought to be at sea a part of his time and be in close touch. You can not learn navigational duties or seamanship duties sitting in an office; you can learn the theory, but you must go to sea to get the practice.



Mr. SIMS. In other words, you can not learn to swim out of the water?

Secretary DANIELS. Exactly. You may make the motions, but you do not get the real practice. You may hang your clothes on a hickory limb, but you can not learn to swim unless you go into the water.

The CHAIRMAN. We are much obliged to you, Mr. Secretary, for coming before the committee.

Secretary DANIELS. I thank you.

#### STATEMENT OF HON. FRANKLIN D. ROOSEVELT, ASSISTANT SECRETARY OF THE NAVY.

Mr. CAMPBELL. Mr. Secretary, you have investigated, to a greater or less extent, the ideas of the bill transferring the Coast Guard into the Navy, and I would be glad to have you tell the committee briefly your recommendations or make any suggestion which you desire with reference to the transfer.

Mr. ROOSEVELT. Mr. Chairman, I do not know that I can add very much to what the Secretary has said. I am most heartily in accord with the proposition. I might emphasize a little more the economic and industrial end of the proposed transfer, as I have special charge of the navy yards and of repairs and of fitting out of the ships. It has seemed to me always unwise for the marine end of the United States Government to conduct the matériel part of its shipbuilding repairs along so many different lines. We have, as you know, not one navy, but four or five navies. This bill would only correct one portion of what I consider a fundamental error, it would correct one out of four or five, however, and giving the Navy charge of the repairs and the fitting out and furnishing of supplies to the Coast Guard would run into probably a saving of several million dollars per year.

More than that, the very fact of transferring the Coast Guard to the Navy would save in the actual number of vessels that we would have to pay for. The Navy in time of peace, of course, has not enough men to man all the vessels that we have. We have to keep many vessels tied up at the docks. A great many of those vessels could be fitted out to carry out the work of the Coast Guard. In the past few years the Coast Guard has received authority from Congress to build a number of very excellent vessels. I feel certain that if the Coast Guard during those years had been under the Navy the construction of those vessels would have been wholly eliminated, because when you come right down to it a Coast Guard ship is very little different in type from what we call the small cruiser class of Navy ships.

In the matter of repairs the Government has in the navy yards large industrial establishments, where we have constant difficulty in time of peace to maintain an even standard. The difficulty with the naval service is that the work fluctuates. We have to discharge 5,000, 10,000, or 15,000 men at certain periods and then a short time afterwards have to reemploy them. It makes it bad business efficiency.

The more repairs and the more material work that we can do in the navy yards the better business organization we can get, because



it will reduce that fluctuation in labor and work which is a great handicap to us at the present time. Of course, I hope eventually steps will be taken which will put the material part, the repair part, and the supply part of the other "navies" of the United States—the Coast and Geodetic Survey, which has many vessels, the Lighthouse Service—to put those vessels under the Navy at least so far as material goes, even if the personnel and management is left in the Department of Commerce. I consider that this bill is very distinctly a step in the right direction. Of course, I have talked to a great many of the Coast Guard officers, and I am thoroughly convinced, though it is merely a personal opinion, that the great majority of officers and men in the Coast Guard are anxious to be transferred to the naval service. They believe it would make better efficiency, more permanency, and beyond question a saving in the future.

The CHAIRMAN. Mr. Secretary, what is your view as to the relative cost of repairs in navy yards and in private yards?

Mr. ROOSEVELT. I can give you an example. The Shipping Board recently asked for bids to alter some of the troop transports from troopships to passenger vessels. The navy yard in New York was given one of those vessels on the statement of the navy yard that it could effect the repairs more cheaply than any of the bids received from the outside firms. That ship has been in the New York Navy Yard and has shown a saving of, I think, about 20 per cent in actual cost to the Government under the lowest outside bid.

The CHAIRMAN. Of course, that would not take into consideration the cost of the investment?

Mr. ROOSEVELT. Not the cost of the investment, but the actual money paid out by the Government for the work.

The CHAIRMAN. Of course, to make the test correctly, you would have to take into consideration the cost of the investment?

Mr. ROOSEVELT. Except this, that the cost of the investment is there anyway for military reasons, and in actual outgo of dollars from the United States Treasury there is a saving of about 20 per cent.

Mr. SIMS. The expense of the navy yard would have to go on anyway?

Mr. ROOSEVELT. Yes; for military reasons.

Mr. MONTAGUE. Were the bids really competitive?

Mr. ROOSEVELT. Yes, sir.

Mr. MONTAGUE. Really competitive?

Mr. ROOSEVELT. Yes, sir.

Mr. WINSLOW. Let us go a step further. Have you had occasion to compare the cost of the navy-yard production with the amount of the bid on the same line of work, based on the same items in the schedule of cost?

Mr. ROOSEVELT. We have worked out in the last few years three or four different accounting schemes. The present plan, which we are using on repair work for other Government departments, is to charge them the actual cost to the Navy appropriation; in other words, to the Treasury Department.

We have found that those actual costs give figures at the present time below those of any outside firm. If we add the interest on the investment in a navy yard, the value of the equipment, the depreciation, the salaries of officers and an estimated figure for insurance, we



work out at approximately the same as the average outside establishment; we can not say that we are below it; we are about the same.

Mr. STINESS. Less a legitimate profit?

Mr. ROOSEVELT. Yes; less a legitimate profit.

Mr. MONTAGUE. May I ask one question? I do not know whether, Mr. Secretary, you have considered this phase of it or not: How could you train in the Navy men for the Life-Saving Service as they are trained now? Is there anything in the Navy that is particularly adapted to the training of these men in the Life-Saving Service?

Mr. ROOSEVELT. That, of course, is a question of enlisted men and not of officers. It seems to me that the average training that the enlisted men in the Navy get at a training station, followed by a tour of duty at sea, with the teaching of seamanship, is as good a fundamental training as they could get anywhere. It might be, of course——

Mr. MONTAGUE (interposing). You have no training in the naval service that would teach those men how to take out a boat on a rough surf, have you? How could you teach them that on board a ship?

Mr. ROOSEVELT. I think any man who had had a life-saving experience, or an experience in small-boat work, would naturally receive a preference for that particular detail in the Navy.

Mr. MONTAGUE. I am just speaking as a layman. But I have observed cases of a man who was a very competent boatsman, but who would never be able to take one of those boats and get it out over the Atlantic surf; but on the other hand, you take a man who has been living along that coast and is accustomed to handling those boats, and he would be able to do it in the most marvelous way.

Mr. ROOSEVELT. Well, of course, the Navy does enlist many men for special purposes.

Mr. MONTAGUE. Yes; I understand that.

Mr. ROOSEVELT. Of course, we are only too glad to enlist a mechanic, a man who is a boiler maker or a machinist, for example, at a special rating to do that kind of work during his term of service in the Navy. And there is no reason why, if the Coast Guard were placed under the Navy, specialists in surf work, people who could handle small boats properly, should not receive a special rating for the Life-Saving Service.

Mr. MONTAGUE. In other words, you would look out for that line of recruits too?

Mr. ROOSEVELT. Yes.

The CHAIRMAN. Are there any other questions? We are much obliged to you Mr. Roosevelt, for your statement. We also thank the other gentlemen who have appeared before the committee in this matter and hope at some future time to hear those who oppose the bill.

(Thereupon, at 12.05 o'clock p. m., the committee adjourned.)

#### LETTERS SUBMITTED.

LETTER SUBMITTED BY THE MARSHFIELD CHAMBER OF COMMERCE, COOS BAY, OREG.

MARSHFIELD, OREG., *September 26, 1919.*

CHAIRMAN OF INTERSTATE AND FOREIGN COMMERCE COMMITTEE.

*House of Representatives, Washington, D. C.*

DEAR SIR: At a recent meeting of the Marshfield Chamber of Commerce our attention was directed to the House bill No. 5516, by Hon. Guy E. Campbell, of



Pennsylvania, and the resolutions of which a copy is inclosed herewith were adopted and the secretary instructed to forward a copy of same with a request that you render your support and aid to this movement.

Yours, very truly,

MARSHFIELD CHAMBER OF COMMERCE,  
By W. A. REID, *Secretary*.

Whereas there has been introduced in Congress a bill known as H. R. 5516, by Hon. Guy E. Campbell, of Pennsylvania, which provides for the amalgamation of the Coast Guard and the Navy; and

Whereas it is our conviction that the proposed amalgamation would result in greater efficiency of our Coast Guard and provide better and more complete equipment, such as is now available in the Navy; and

Whereas the proposed amalgamation would add materially to the protection of our shipping interests on the Pacific coast; and

Whereas the amalgamation of these two branches of the service would result in the abolishment of duplications in every department of the service, such as separate storehouses, offices, and repair shops, thus materially decreasing the expenses of the Government. Be it

*Resolved*, That the Marshfield Chamber of Commerce heartily indorses and approves said bill and urgently requests its Representatives in Congress to lend all possible aid to its passage; be it further

*Resolved*, That a copy of these resolutions be sent to our Oregon Representatives, also the chairman of the Committee on Interstate and Foreign Commerce of the House, chairman of the Senate Naval Committee, Representative Guy E. Campbell, and Senator Peter Gerry, of Rhode Island.

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LETTER SUBMITTED BY THE PHILADELPHIA BOARD OF TRADE.

*To the honorable the Senate and House of Representatives  
in Congress assembled:*

This memorial of the Philadelphia Board of Trade respectfully represents:

That the board has carefully considered the provisions of the bills H. R. 5516 and S. 2727, "To permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department," having for their objects the consolidation of two military and naval services under one administrative head, and believes that there will be accomplished thereby economy in the operation of Government activities and a more efficient utilization of the services of the personnel of both the Navy and the Coast Guard;

That under the bills the duties heretofore performed by the Coast Guard, including the assistance rendered collectors of customs, will be performed by the Navy;

That the much larger and efficient equipment of the Navy Department will insure a better service to the maritime interests of the country in assisting vessels in distress than is now possible with the smaller and less fully equipped organization of the Coast Guard under the Treasury Department;

That the board is convinced that the transfer of the service, as provided in the bills, is in the interest of economy and efficiency and removes the Coast Guard Service in a large measure from the influence of political favoritism: Therefore

Your memorialist, the Philadelphia Board of Trade, petitions your honorable bodies to favorably consider and pass the bill H. R. 5516 or S. 2727, making the transfer of the United States Coast Guard as set forth therein.

And your memorialist will every pray.

PHILADELPHIA BOARD OF TRADE.  
WM. M. COATES, *President*.

Attest:

[SEAL.]

W. R. TUCKER, *Secretary*.

PHILADELPHIA, November 11, 1919.



LETTER SUBMITTED BY THE PACIFIC AMERICAN STEAMSHIP ASSOCIATION.

SAN FRANCISCO, March 11, 1920.

Hon. JOHN J. ESCH,

*Chairman Committee on Interstate and Foreign Commerce,**House of Representatives, Washington, D. C.*

SIR: The Pacific American Steamship Association, representing the opinion of steamship companies on the Pacific Coast, at a regular meeting held February 19, 1920, formally indorsed H. R. 11230 to permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department.

According to information which appears to be reliable, the vessel equipment of the Coast Guard is badly run down. This is unquestionably the case on the Pacific coast. The protection which the Coast Guard is now rendering to shipping is quite inadequate to meet present or future needs. On the other hand, the Navy Department has in its possession a sufficient number of vessels (notably mine layers and mine sweepers), which are well adapted to take over the duties now assumed by the Coast Guard.

In view of the retrenchment in Government expenditures, it is not probable that the large amount of money necessary to rehabilitate the Coast Guard will be spent for that purpose. We believe that this would not only be unnecessary, but also unwise.

From the standpoint of efficiency, economy, and expediency, we favor the transfer. We can see no valid objection, and none, in our opinion, has been presented to us.

We respectfully submit our opinion for your consideration, with the hope that you will deem it advisable to urge the passage of this measure.

Yours, sincerely,

PACIFIC AMERICAN STEAMSHIP ASSOCIATION,  
J. B. BANNING, JR., *Secretary-Treasurer.*

LETTER SUBMITTED BY GUNNER E. LARSSON.

TREASURY DEPARTMENT,  
UNITED STATES COAST GUARD,  
*Savannah, Ga., October 16, 1919.*

Hon. JOHN J. ESCH,

*House of Representatives, Washington, D. C.*

DEAR MR. ESCH: Having read in the Army and Navy Register September 6, 1919, your resolution in the House (H. J. Res. 189), allow me the honor of thanking you in behalf of all the Coast Guard personnel, including my humble self.

Your resolution meets not only with the approval of the whole Coast Guard personnel—officers and enlisted men—but it is so liberal and just toward that body of men that you will enjoy the lifelong gratitude with best wishes for success in your undertaking. I, particularly wish to thank you. I wrote you last winter in regard to the inadequate laws pertaining to the personnel of the Coast Guard.

During this month, another matter affecting our tranquillity as well as prosperity, has been brought forth—an order from the Coast Guard headquarters to discontinue the commutation of quarters, heat, and light, while on sea duty, for warrant officers of the Coast Guard, to take effect October 1, 1919. This means a reduction of the salary for a married warrant officer of the Coast Guard, averaging about \$36 per month. We are allowed only 45 cents per day for commuted rations, a total of \$13.50 per month. This amount is inadequate and does not feed us. The warrant officer afloat must mess separately from the enlisted force, and they are allowed one cook and one mess attendant to clean, cook, and cater for them. These servants are also allowed 45 cents per day for subsistence and must be subsisted from the warrant officers' mess. Our average mess bills per month are \$30 for each warrant officer, and therefore we have to pay the balance between \$13.50 and \$30—\$16.50—from our salaries. There are four warrant officers attached to each vessel, and this reduction of \$52.50 per month from our wages is unreasonable and disastrous.



I herewith give you an accurate expense account as regards myself and my family. It is about similar to every married warrant officer in the Coast Guard:

Present salary per month (20 years' service)-----	\$187. 50
Rent, heat, and light for five rooms and bath, Richmond, Staten Island, N. Y., per month-----	50. 00
Meats and groceries for my wife and two children, per month-----	60. 00
Milk, Borden's, grade B, two quarts per day, at 16 cents-----	9. 60
Ice, 15 cents per day (smallest-size pieces for sale)-----	4. 50
Tuition fee in Staten Island Academy, St. George, Staten Island, for my daughter, 11 years old, third grade, including books, etc., per month-----	18. 00
Tuition fee in Staten Island Academy, St. George, Staten Island, for my son, 8 years old, second grade, including books, etc., per month-----	13. 00
Piano lessons for my daughter (\$10 for term of 5 weeks)-----	8. 00
Car fare for both children to and from school, school being about 3½ miles distant, 20 cents per day-----	5. 20
Evening papers, including Sunday papers, at 5 cents each-----	1. 50
Family laundry, per month-----	8. 00
	<u>177. 80</u>

Salary, \$187.50 and \$13.50 per month for commuted rations is paid by the Government. Home expenses, \$177.80. Balance, \$9.70.

My expenses on the vessel are as follows:

Balance of mess bill (average \$30 per month)-----	\$16. 50
Laundry, per month-----	2. 00
Smoking tobacco, per month-----	2. 00
Total-----	<u>20. 50</u>
Totals expenses on vessel-----	20. 50
Balance from wages-----	9. 70
Total indebtedness per month-----	<u>10. 80</u>

Mr. Esch, you can readily see that under these conditions, indebtedness myself about \$10 per month, with no relief in sight and without previous savings, also no opportunity for further advancement in rank and pay (none allowed us by law in the Coast Guard), it is absolutely necessary that something should be done to relieve this stress, or I will be obliged to seek employment on a merchant vessel, as I have a merchant marine license as a second mate, with good chances of advancement. In resigning I would have to cast 20 years' service to the winds and start all over again.

We old-time warrant officers of the Coast Guard never have bothered much about our wages as long as we were able to pay our debts. We "hang on" for the love of the service with its interesting and fascinating duties. There are a number of warrant officers in the Coast Guard who have retired after 30 years' honorable service and three-fourths pay. As the base pay of a warrant officer in the Coast Guard before May 22, 1917, was only \$75 per month, these retired officers are obliged to seek some employment in civil life. Their retirement pay will not keep the souls and bodies together. It's a pity, Mr. Esch, to see some of them struggling for life.

My present salary (\$187.50 per month) equals in purchasing value only \$97 in prewar time. In 1908 our wages were increased from \$70 to \$75 base pay per month. I was unable to save anything then, but managed to keep out of debt, which I can not do at the present time. The crew of a Coast Guard cutter is allowed a ration equal to the lowest bid of three contractors (on this vessel, the allowance is about 80 cents per man per day), however, the value of a commuted ration is only 45 cents per day per man in cash. Therefore, we are obliged to help the Government to feed our two mess attendants.

Every married warrant officer and commissioned officer in the Coast Guard is placed in the same position regarding the mess attendants.



I ask you if there is any way by which you can help us? If so, please do so, as we are living in a state of worry and unhappiness, due to these financial conditions.

Wishing you the very best of health and happiness, and again thanking you for what you have done for us, I am,

Yours, very respectfully,

E. LARSON,  
Gunner, United States Coast Guard.

LETTER SUBMITTED BY CAPT. L. L. BENNETT.

TREASURY DEPARTMENT,  
UNITED STATES COAST GUARD,  
Navy Yard, Norfolk, Va., April 10, 1920.

Hon. JOHN J. ESCH,  
*House of Representatives, Washington, D. C.*

MY DEAR MR. ESCH: In accordance with our conversation of several weeks ago I am taking this opportunity to express in writing my opinion of the proposition to transfer the Coast Guard from the Treasury Department to the Navy Department permanently.

2. You are no doubt familiar with the fact that about 90 per cent of the officers of the service, commissioned and warrant, are desirous of being transferred to the Navy. This is a matter of recorded votes, taken when the service was still operating as a part of the Navy. Since the votes were taken and after the service was returned to the Treasury, a number of officers who failed to express an opinion in the first instance have signified their approval of the pending legislation.

3. The actual state of affairs in the Coast Guard at present may be presented as follows:

(a) A large majority of the officers of a sea-going branch of the Military Establishment of the United States are seeking an opportunity to present to the Congress a plan to transfer their activities to a department where their needs in the matter of equipment, personnel, and upkeep will be understood.

(b) The proposed transfer is opposed by the Secretary of the Treasury, by a few officers stationed at the headquarters of the service in Washington, by the late commandant of the Coast Guard, by the late engineer in chief, both of whom are now on the retired list, and by a few of the older officers in the field.

(c) The opponents of the measure state that it will cost more to operate the Coast Guard as a part of the Naval Establishment; that the Navy can not do the work of rescue and assistance because naval officers have not been trained to do so and because Coast Guard officers receive special training in this direction; that the Navy has not the special types of vessels which are needed to do the rescue work; that it will be necessary to establish a new service under the Treasury to carry out duties for the customs because the Treasury will be deprived of the services of the so-called harbor cutters; that the Navy Department will not care to undertake the work of rescue and assistance, nor the duties in connection with the customs; that the traditions of the Coast Guard will be lost if the service loses its identity in the Navy; and, finally, that the whole proposition is merely a plan on the part of a certain few officers to get more rank and pay. It may be added that much of the opposition from the last-mentioned class of officers in subparagraph (b) arises from the fact that they have the idea that they would never be promoted in the event of a transfer.

(d) It has been necessary to place the following cutters out of commission because of the shortage of men: *The Itasca, Comanche, Scally, Gresham, Pamlico, and Apache*. Men are now being transferred to the Pacific coast by rail and by this vessel in order to man cutters for patrol duty in the Bering Sea during the coming summer. It is true that the Navy is also suffering from a shortage of men, but the Coast Guard is forced to compete with the merchant marine and with the Navy in regard to enlistments. Very little in the way of advancement and education can be offered to a candidate for enlistment. He must go to sea in old and uncomfortable ships, his work must be performed under the most disagreeable conditions of weather, very little is offered him in the way of recreation and entertainment, and the Coast Guard offers him no chance for advancement such as he would have in the Navy. The fact that enlistments are made for only one year is the point which attracts most of those who enter.



(e) There is now a shortage of about 60 officers in the junior commissioned grades out of a total of 250 officers authorized by law, with but little prospect of filling the vacancies.

(f) The morale of the Coast Guard has never before been as low as it is now, and it reached this low point almost upon the date that it was returned to the Treasury Department from the Navy. This low morale results from the fact that there is among the commissioned personnel a prevailing impression that the affairs and policy of the Coast Guard are still being controlled or influenced by one or two who were formerly at its head; that it was hurriedly returned to the Treasury at the instance of a few individuals, and there is a persistent rumor to the effect that one of the chief reasons for the return was to save one officer from a court-martial which it is believed would have been ordered by the Secretary of the Navy. The above ideas may or may not be founded on actual facts, but they are a matter of daily discussion throughout the service, and nothing has happened which would tend to disprove them. Still one more reason for the present state of mind is that there seems to be very little possibility of remedying the situation.

4. The above is a correct estimate of the situation. Much has been written in regard to the Campbell bill, but to my mind its strongest recommendation is that it has the approval of those who know more about the Coast Guard than anyone else—officers of high rank in the Navy and the majority of those in the Coast Guard who actually go to sea and who know the conditions under which the work of the service is done.

5. All of the objections to the transfer have been noted in (c) of paragraph 3. To offset the objection of increased cost of operation under naval administration, we note that if the service is transferred to the Navy the following shore stations will no longer be necessary, as they are now duplicating some function or station of the Navy:

- (a) Coast Guard headquarters at Washington.
- (b) Coast Guard depot, South Baltimore, Md.
- (c) Coast Guard Academy, New London, Conn.
- (d) Coast Guard store at New York, N. Y.
- (e) Coast Guard store, Grand Haven, Mich.
- (f) Coast Guard store, San Francisco, Calif.
- (g) Offices of division commanders at Boston, New York, San Francisco, and Seattle.

(h) Offices of telephone supervisors at Boston, New York, Norfolk, Savannah, Mobile, Green Bay, Wis., and San Francisco.

The duties of headquarters would be assigned to the various bureaus of the Navy Department; the Coast Guard depot is doing on a small scale what any navy yard is doing on a big one; the Coast Guard Academy would no longer be necessary since all future officers would be provided by the Naval Academy; the three Coast Guard stores are doing the work that should be done by naval supply bases and the supply departments of the navy yards, much of the supplies handled by these stores being purchased from the Navy and reshipped to the various cutters at the present time, involving a double expense for handling; the offices of the various division commanders mentioned in subparagraph (g) would be transferred, or rather their activities would be transferred, to the office of the naval districts in which they are now located, and the work of the telephone supervisors belongs to the offices of the communication superintendents in the various districts. All of the above activities are duplicating on a small scale naval activities, which are being carried out on a large one; the Coast Guard is maintaining a small naval academy, a small supply system, a small district organization, and a small communication service.

6. Future Coast Guard officers at the academy do not receive special instruction in the work of rescue and assistance. They receive practical experience in this work after they leave the school and have been assigned to duty on board ship. The course of instruction at New London is modeled after that in force at the Naval Academy, many of the same textbooks being used. It would be well to note that the textbook on seamanship was written by a naval officer, Admiral Austin M. Knight. All the work of assistance, rescue, and derelict destruction is plain common-sense seamanship and it can not be said that our naval officers are poor seamen. The average naval officer is intrusted with responsible duties at an earlier age than the average Coast Guard officer who spends much of his time in clerical and commissary duties which in the Navy are handled by the paymasters.

7. There is a mistaken expression that it would be necessary to maintain a new service under the Treasury to perform customs duties should the Coast Guard be transferred to the Navy. At present these duties consist of the



maintenance of a few harbor tugs and launches which carry the civilian inspectors of the customs for the purpose of boarding incoming vessels. These tugs are useless for any other purpose and are simply manned by warrant officers and enlisted men of the service who take no part in the inspection duties of the customs. These same tugs could do this duty as naval tugs exactly as they are now doing it as Coast Guard tugs; the only difference would be that the personnel, probably the same men, would be of the Navy, and the Navy has hundreds of these craft where the Coast Guard has one. Attention is here called to the fact that the Navy has recently turned over to the Coast Guard a number of tugs which are being used for the above duty. The necessity for the maintenance of the separate customs service was the principal argument advanced by the opponents of the Campbell bill at the first hearing on that measure. It can readily be shown that not a single additional vessel or man would be needed.

8. Those who have attempted to show increased cost of naval operation have evidently failed to consider that the transfer of the officers and men of the Coast Guard to the Navy would simply operate to fill vacancies which now exist in the Navy which would be a saving of the entire appropriation for the pay of the Coast Guard as it stands at present. It is obvious that many of the present Coast Guard officers would still be carrying out their former duties but they would be carrying them out as naval officers with better equipment.

9. Comparisons have been made to show the greater cost of operating naval gunboats as compared with similar Coast Guard cutters with an apparent economy in favor of the cutters. This apparent economy results from the fact that the gunboats carry larger crews to man their guns and they are kept in better repair than are the cutters. Reduce the size and numbers of their guns and limit them to the slender repair allowances of the cutters and the showing would be the same. There are a number of cutters in service to-day which are in urgent need of repairs; they are old and worn out. The outlay for repairs on these vessels would be saved at once in the event of a transfer to the Navy as they would undoubtedly be condemned and a number of the new mine sweepers substituted for them without building a single new vessel.

10. It is not true that the Navy has no suitable vessels for Coast Guard work. The new "Bird class" of mine sweepers consists of a number of excellent craft which are superior in every way to any cutter afloat and the Navy has 40 of them. There are also several hundred of the new destroyers which could be used for such Coast Guard duties as the ice patrol, the search for and the destruction of derelicts, and the Bering Sea patrol. Here again, attention is called to the fact that the Navy has turned over to the Treasury five "Eagle boats," which are a modified type of destroyer, to perform Coast Guard duties.

11. In regard to the inclination on the part of the Navy Department to perform Coast Guard duties it is considered sufficient to say that the Campbell bill specifically charges the Navy with all of the duties now performed by the smaller organization.

12. The foregoing is a statement of my opinion as to the merits of the proposed transfer and that opinion is shared by the large majority of my brother officers. It is not a plan to secure advanced rank and pay but simply a proposition to place a valuable branch of the Government service where it can perform its duties efficiently. No matter whether the Coast Guard is placed under the Navy as a separate corps or whether it is completely absorbed by the Navy, it is sure to increase in usefulness. Even now the service depends upon the Navy for uniform clothing for its enlisted men, nonperishable articles of food are bought from the Navy, the ordnance equipment is loaned by the Navy, ammunition is obtained from the same source, the system of coastal communication was built with Navy funds.

13. The service has always labored under the disadvantage of being controlled by one or two officers stationed in Washington and no person has ever served a tour of duty as captain commandant and returned to his regular place on the list of Coast Guard captains. Repetition in office has been the custom. The pending legislation is being opposed by a few to whose advantage it is to remain under the Treasury but there is a determination on the part of those in the field to use every endeavor to lay the situation before Congress. All that is asked is simply a fair chance to present the case properly and we earnestly hope for your assistance in that regard.

With very best regards, I remain,

Sincerely,

L. L. BENNETT,  
Captain, United States Coast Guard.



LETTER SUBMITTED BY CAPT. W. H. SHEA.

TREASURY DEPARTMENT,  
UNITED STATES COAST GUARD, CUSTOMHOUSE,  
*San Francisco, Calif., April 27, 1920.*

HON. JAMES W. GOOD, M. C.,  
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN GOOD: As you are the man upon whom rests the burden of seeing that the income of the Government meets the expenses, I hope that you will give this letter your kind consideration, for I believe that after an analysis you will agree with me that the measure advocated will produce economy and efficiency.

The Coast Guard is by law an armed military force of the Government and its commissioned officers in time of peace receive the same pay, emoluments, retirement, etc., rank for rank, as corresponding grades in the Army and Navy. In time of war the Coast Guard automatically becomes a part of the Navy, in which case the officers receive 10 per cent additional for sea service like naval officers.

The warrant and enlisted personnel during peace do not have graded pay with the Navy. As a matter of fact, the enlisted personnel prior to the war received more pay than corresponding rates in the Navy; because in 1908 their pay was fixed at the practical prevailing merchant seaman pay. At the present time anything that looks like a man can and is receiving aboard merchant-vessels twice as much in same rating or similar one as an enlisted man in the Coast Guard or the Navy receives.

August, 1919, the Coast Guard was transferred from the Navy back to the Treasury Department by an Executive order. Eighty-five per cent of the commissioned and warrant personnel, who have been the seagoers of the past, believed in Navy absorption. Fifteen per cent, who with few exceptions represent a class who have had more than their proportion of shore detail and see visions of more in the future, opposed amalgamation. Being well versed in manipulation they pulled a coup d'etat and had the transfer back to the Treasury effected before the Navy Department was aware of intended action. The Navy Department was in favor of the amalgamation and I believe will be so found to-day.

The argument for economy is based upon nonduplication of duties, material, and personnel, which is roughly estimated, will produce a saving of a million dollars the first year of operation and eventually will save the entire cost of maintenance of the Revenue-Cutter Service part of the Coast Guard.

Under amalgamation the following units of the Coast Guard and cost of maintenance will be abolished: Coast Guard headquarters at Washington, four division commanders' offices, repair station at Baltimore, Coast Guard school at New London, and supply stores on both coasts. The Navy has units operating along same but more extensive lines, namely: Navy Department, naval districts, navy yards, Naval Academy, and supply department. The duties of units absorbed will be like drops in a bucket.

Absorption of the personnel: The Navy is short a great many commissioned officers, and absorption of the Coast Guard personnel would mean that saving in salaries, for the Navy will eventually fill their vacancies, whether they draw from the Coast Guard or other sources. Even if the Coast Guard officers were made extra numbers in the grades to which transferred, they would eventually be eliminated by retirements, and no further appointments would be necessary and no money would have to be appropriated for that purpose. At the present time there are 43 vacancies in the allowed Coast Guard commissioned personnel of 242, and there are also more resignations awaiting action. These vacancies would not have to be provided for if transfer was effected. The answer to such a large number of vacancies in such a small personnel is, briefly, stagnation and pay. Our cadetships are competitive, open to anyone between the ages of 18 and 24, but we have been unable to obtain candidates with the necessary qualifications for what we have to offer.

Material: The Navy has adequate and better material to perform Coast Guard duty for the next 20 years without any augmentation. The Navy has something like 48 mine sweepers, which are economical from a fuel consump-



tion and personnel standpoint. A great many, if not all, of these mine sweepers will be kept in commission for training and would be available to answer calls of a Coast Guard nature without detracting from efficiency or primary purpose for which built.

The Coast Guard vessels are reaching a depleted condition. If the equipment and material of the Coast Guard is to be kept efficient, a million dollars a year will be needed for repairs and for replacing vessels which have outlived their usefulness. That outlay would be eliminated by the Navy transfer.

Fuel and supplies: At a rough estimate fuel costs the Coast Guard about 30 per cent more per ton than it does the Navy. All the supplies that the Navy will furnish are obtained through that department. If that means of obtaining clothing and other supplies were withdrawn the Coast Guard maintenance cost would be increased. This one point shows that the centralization tends toward efficiency and economy.

The 85 per cent of the commissioned and warrant personnel who favor this transfer do so for the reason that they believe it will obtain for efficiency and for the personal reasons that in a larger organization they will get away from some of the stagnation and will receive a proportionate share of shore details.

The opposition have held the reins in the past, and being on the ground, know the best methods to combat policy contrary to their desires. Thus far the transfer has not made much headway, either due to the strength of the opposition or the fact that we who are advocating it are puerile and do not know how to make the issue a live one.

At a hearing last session the Acting Chief of Naval Operations and the Acting Chief of the Bureau of Navigation appeared before the committee in favor of the transfer. The commandant of the Coast Guard, since retired, appeared in opposition, and as he is an able, convincing talker, he evidently made an impression with the committee. To an officer conversant with conditions his argument was fallacious. His comparison of cost of operation of a gunboat and a cutter was not based on vessels of equal tonnage. The tonnage of the gunboats was greater, and every officer knows that Navy personnel is based on number of men necessary to operate the battery and have ship ready for action. Place same number of guns aboard a cutter of same tonnage as gunboat and there will be a little difference in cost of operation. I maintain that the gunboat would be available for Coast Guard duty with little interference with military efficiency, and the additional vessels would not have to be maintained.

A bill covering the details of the transfer was introduced by Mr. Campbell of Pennsylvania and referred to the Interstate and Foreign Commerce Committee, where it is now resting without action. We claim that the passage of this bill, with some modifications, would produce economy and efficiency, and wish the opportunity to prove it. We would like a hearing, and if the committee report is favorable we would like to get the bill on the floor of the House.

The bill is absolutely nonpartisan in character, although introduced in the House by Mr. Campbell; it was introduced in the Senate by Mr. McCormick. One of the leading Republican presidential possibilities, in mentioning branches operating under the Treasury Department which should not function there, cites the Coast Guard as a notable example. While my main interest is centered in the Coast Guard, I make the radical suggestion that for proper coordination all the floating services of the Government should be under Navy control, and in that way a great deal of duplication would be avoided.

As long as seamen in the Army Transport Service, the Lighthouse Service, the Shipping Board, and the Coast and Geodetic Survey can obtain almost twice as much salary in the same rating as the enlisted personnel in the Coast Guard and in the Navy, it stands to reason that they will not enlist in either of the two latter services. If all were enlisted under the Navy Department, services would not be bidding against each other for men as at present.

If such a measure were advocated, many arguments pro and con would arise, but, to my mind, it is the only logical solution for efficiency and economy.

As I have spent 18 years out of 20 years of service on sea duty, I feel that I have had some opportunity for making a practical estimate of the situation.

Respectfully,

W. H. SHEA,  
*Captain, United States Coast Guard.*



TREASURY DEPARTMENT,  
UNITED STATES COAST GUARD,  
*San Francisco, Calif., April 30, 1920.*

HON. JAMES W. GOOD, M. C.,  
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN GOOD: I wish to state that I have read the letter of Capt. W. H. Shea, United States Coast Guard, to you, and I indorse what he has said in his letter, and nothing that I could write further would do anything but reiterate his statements to you.

Respectfully,

C. C. McMILLAN,  
*Captain of Engineers, United States Coast Guard,*  
*Commanding.*

LETTER SUBMITTED BY CAPT. H. E. YARNELL.

NAVY DEPARTMENT,  
OFFICE OF NAVAL OPERATIONS,  
*Washington, June 6, 1920.*

MY DEAR MR. CAMPBELL: In reply to your letter of March 29, 1920, transmitting a list of questions relating to bill H. R. 5516, I beg to transmit the replies as per attached memorandum.

I am, very sincerely, yours,

H. E. YARNELL,  
*Captain, United States Navy.*

The honorable GUY E. CAMPBELL, M. C.  
*House of Representatives, Washington, D. C.*

Q. Are you familiar with the provisions of H. R. 5516?—A. Yes.

Q. Where are you now performing duty?—A. Plans Division, Office of Naval Operations, Navy Department.

Q. What are your views bearing on the transfer of the Coast Guard to the Navy, with particular reference to the feature of increased efficiency and of economy, and of improved coordination?—A. I am in favor of such an amalgamation, as there is not the slightest doubt that such an amalgamation will result in efficiency and economy to the Government. One of the greatest problems that confronts the United States in the future is to reduce Government expenditure and increase the efficiency of Government departments and agencies. This means that similar activities must be consolidated under one department as one of the steps to bring this about. One of the reasons why our merchant marine has been handicapped in the past in its struggle for existence is that there are nine bureaus and commissions of the Government having more or less to do with shipping, none of them having any connection with each other, and each of them with more or less veto power over the other.

The bill to establish a department of public works is a step in this reorganization of the Government service which, sooner or later, is bound to come.

And in this reorganization all Government maritime activities, such as the Coast Guard, Lighthouse Service, Coast and Geodetic Survey, and Army Transport Service, will come under the Navy where they belong.

The Navy now possesses the organization, repair, docking, and maintenance facilities, fuel, and provision storage, etc., on such a scale that the administrative or overhead expense of these activities could be absorbed into the Navy with but little added expense to the latter.

While comparatively small in numbers, the personnel of the Coast Guard constitutes an extremely valuable addition to the Navy in time of war. Not to consider the increased efficiency in time of war, which is the main point, it is only fair to the Coast Guard personnel that their training and equipment in time of peace should fit them for the duties they will be called on to perform in time of war. This can only be done when their personnel is trained by the Navy and their vessels designed for use in war.

It was my good luck to serve at Gibraltar for several months during the war, where a number of Coast Guard vessels were based for convoy duty. These vessels did splendid work, but they did it under certain handicaps, which it is not just to impose under war conditions. Among these handicaps were inadequate armament, inadequate crews, lack of staff officers, such as medical and



supply officers, short enlistments for men, requiring the retention of men on the station long after their terms had expired, etc.

For the salvage, rescue, and patrol work of the Coast Guard in time of peace, the bulk of the Navy will be available for this duty. At the present time the commandant of each naval district maintains a vessel ready for instant service for salvage and rescue work on account of increased demands of merchant shipping and shortage of Coast Guard personnel.

It is easy to appreciate that some who have spent the best part of their lives in a service whose record is one of splendid achievement may be reluctant to see it disappear as an independent organization. But the obvious necessity of reducing expenditures and increasing efficiency in Government departments is a matter of such urgent importance, in view of our huge national debt and present haphazard organization of Government departments, that the amalgamation of the Coast Guard with the Navy is a step in the right direction, and sooner or later is inevitable.

H. E. YARNELL,  
*Captain, United States Navy.*

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LETTER SUBMITTED BY CAPT. H. G. HAMLET.

TREASURY DEPARTMENT,  
UNITED STATES COAST GUARD,  
*Washington, June 2, 1920.*

HON. GUY E. CAMPBELL,  
*House of Representatives, Washington, D. C.*

MY DEAR CONGRESSMAN: Replying to your letter of May 29, 1920, in which you inclose a list of questions you desire me to answer, I will say that I am familiar with the provisions of H. R. 5516. My present duty is serving at Coast Guard headquarters, Washington, D. C., in charge of the personnel of the Coast Guard and in charge of the operations afloat. This brings me in touch with all the personnel and practically all the operations of the Coast Guard.

During my career in the service I have performed every kind of duty required of a Coast Guard officer, mostly at sea, and have served on all stations except the Lakes and the South; and I consider that my 26 years of service qualifies me to testify as to the merits of the present question. In the operation of the functions of my office and in the light of my entire experience in the service, I find the work of the Coast Guard most closely allied to that of the Navy, and am firmly convinced that, from the viewpoint of economy, efficiency, and analogy, the Coast Guard should be operated by the Navy Department instead of by the Treasury Department.

In reply to question 8, it is difficult to express in figures a proper answer, but it may be said that none of the work of the Coast Guard which is handled through the functions of my office relates in any way to the Treasury Department, except the personnel which is serving on vessels detailed to custom duty; and even that is remote, because such personnel is invariably handled by a division commander wherever practicable. Even the boats detailed to custom duty are under the direct supervision of a division commander. All other work, such as receiving communications by radio, dispatching of vessels by radio, the procuring of supplies and outfits, the handling of ordnance, the matter of courts-martial, and, in short, almost every matter that comes under my observation is referred to the Navy Department or some bureau in the Navy Department, to ascertain their procedure whenever it is necessary to refer the matter anywhere. The only thing referred to the Treasury Department by the functions under my charge is the matter of appointments, promotions, and resignations.

In reply to question 9, I think it is not exaggerating to state that the efficient operation of the Coast Guard is so dependent on the facilities of the Navy Department that if access to such facilities were removed the Coast Guard could not operate efficiently with the funds at its disposal. In conclusion I will state that it is my personal opinion, based on 26 years of service, that the Coast Guard should be transferred from the Treasury Department to the Navy Department, and such a transfer would result in increased efficiency in the operation of Coast Guard duties because the splendid resources of the Navy would be available to accomplish the great amount of assistance work with which,



oftentimes, the Coast Guard with its present resources is inadequate to cope. I believe it will accomplish the economy claimed for it through the elimination of the duplication of offices and schools. The Coast Guard Academy at New London, the New York store, the San Francisco store, the various Coast Guard divisions, are small duplications of similar larger now existing Navy institutions. It is my opinion that these Navy institutions could perform the same functions now performed by the smaller ones with very little if any increased cost, and that the total cost of the smaller organizations would be saved to the Government.

The resources of the Coast Guard may have been ample in the past to cope with the cases of assistance at sea as they arose, but it never had any reserve of personnel or material and has always worked at a peak load. The Merchant Marine of the United States has expanded manifold, resulting naturally in an increase in the number of accidents and the number of cases requiring assistance at sea. It is obvious that in order to keep pace with the increasing number of cases requiring assistance, the Coast Guard must be expanded in the same ratio as the merchant fleet it is designed to protect. This is not being done, yet it is expected that the Coast Guard will continue efficiently to perform duties which are manifold beyond its capacity. The answer seems plain that this can not be done. The Coast Guard must be immediately enlarged, expanded, and elaborated or it will fail to perform its full duties. It would seem that the most economical, expeditious, efficient method of bringing about such an expansion without enormous expense, is to transfer the Coast Guard to the Navy. I am of the opinion that if so transferred, the present customs duties in the Coast Guard, which may be said to be negligible in extent, will be as efficiently performed by the Navy as now. In fact, they were performed by the Navy from April 7, 1917, to August 28, 1919, just as efficiently as the Coast Guard could perform them.

The economy mentioned in the foregoing would to my mind be better brought about by the passage of H. R. 5516 instead of by H. R. 11230, for the reason that the former bill provides for abolishing the superintendents' corps now existing in the Coast Guard, after providing adequately for the present incumbents of offices in that corps, whereas 11230 seeks to perpetuate and enlarge the superintendents' corps, whose duties could be adequately performed by supply officers already in the Navy.

The argument that to abolish the superintendents' corps would prevent flow of promotion to surfmen might be advanced, but in considering such an argument it should not be lost sight of that all avenues of promotion now open to enlisted men in the Navy would doubtless be open to surfmen, making it possible for a surfman to attain any rank in the Navy to which his ability and fitness might make him eligible. This would better his chances of promotion over those in the Coast Guard for the reason that he now has but the very remote chance of becoming a district superintendent. Another point in H. R. 5516, which in my opinion deserves careful consideration, is the fact that the commandant of the Coast Guard merits higher rank than captain on transfer to the Navy. He unquestionably, in my opinion, merits it in the Coast Guard and it should be afforded him on transfer to the Navy. Also, in my opinion, as a matter of justice, all officers of the Coast Guard who have attained the temporary rank of commander through selection by the Navy Selection Board and who have had the same length of commission service as captains in the Navy, are entitled to have the rank of captain in the Navy upon transfer equally with those officers in the Coast Guard who have attained the rank of commander through natural promotion.

Sincerely, yours,

H. G. HAMLET,  
*Captain, United States Coast Guard.*

LETTER SUBMITTED BY CAPT. O. W. KOESTER.

NAVY DEPARTMENT,  
BUREAU OF STEAM ENGINEERING,  
*Washington, D. C., June 1, 1920.*

DEAR SIR: Replying to your letter of May 29, 1920, in reference to H. R. 5516, I will state that—

(1) I am familiar with the provisions of the bill.

(2) I am on duty in the Bureau of Steam Engineering, Navy Department, Washington, D. C.



(3) I am in favor of the transfer of the Coast Guard to the Navy for the following reasons:

(a) The Coast Guard is under the Treasury in peace and under the Navy in war. In other words, the Government maintains two or more navies in peace and only one in war. In my opinion no comment on a system of this kind is necessary.

(b) Consolidation under the Navy would reduce overhead expenses, and all bureaus of the Navy Department could absorb in their organizations all of the activities of the Coast Guard with very little additional (Navy) expense.

(c) The Navy, at its various yards and stations, employs more skilled men than any other branch of the Government, and the maintenance and upkeep of Coast Guard vessels could be undertaken without detriment to the Navy vessels. The necessity, therefore, for Coast Guard administrative and district offices, repair stations, depot, storehouse, and school of instruction ceases.

(d) The Navy could carry out all of the deep-sea work now performed by the Coast Guard with fewer vessels than are now assigned to that duty.

(e) The provisions of the bill are founded on sound and economic principles and national safety. All organizations for war purposes should be under the branch of the Government which will control it in time of war, as otherwise mobilization may cause delay, and time is often a vital factor.

(f) Consolidation, therefore, is of national rather than of department import. It effects economy, promotes efficiency, and contributes to the national defense.

Sincerely, yours,

O. W. KOESTER,

*Captain, United States Navy (retired).*

Hon. GUY E. CAMPBELL,

*House of Representatives.*

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LETTER SUBMITTED BY CAPT. W. M'DOWELL.

1. Question. Are you familiar with provisions of H. R. 5516?

Answer. Yes.

2. Question. Where are you now performing duty?

Answer. In charge of a section of the Bureau of Navigation having cognizance of orders to all officers of the Navy, Navy Department, Washington, D. C.

3. Question. What are your views bearing on the transfer of the Coast Guard to the Navy, with particular reference to features of increased efficiency and of economy, and of improved coordination of the operations of the Navy and Coast Guard?

Answer. In general I believe that increased efficiency and reduction of overhead costs would result from having all maritime activities of the United States directed by one executive branch, permitting doing away with all duplication of repair and supply activities. I have no data by which the saving could be shown.

During the last two months of the war the detail of Coast Guard officers to combatant ships was one of my principal duties, and I found a very serious handicap, due to the fact that the capabilities and experiences of various officers of the Coast Guard were not immediately available. Due to a slight difference of form and of duties performed, it was difficult to form an opinion as to the proper man to assign to a specific duty. In time of war an error in assignment to duty, even to subordinate positions, might at any time prove very costly, and not being able to use the officers of the Coast Guard to the fullest advantage was felt very keenly in the Navy Department.

Before I assumed by present duty, two months before the end of the war, an officer of the Coast Guard had been ordered to the Bureau of Navigation, in order that his knowledge of officers of the Coast Guard could be used in selecting officers for duty. This greatly relieved the situation, but was not completely efficient, due to the fact that the officers of the Coast Guard were not thoroughly familiar with the requirements for naval vessels. Another disadvantage arose from the fact that not being familiar with the Coast Guard duties the danger of taking away officers that might be essential at times interfered with the assignment of Coast Guard officers. By transferring to the Navy the Coast Guard activities these difficulties in time of emergency, which in my opinion greatly outweigh any possible inconvenience in peace time, would be avoided.



During the time that I was charged with the detail of Coast Guard officers I was struck by their practically unanimous desire to have duty where they would have responsibilities commensurate with their years of experience. The total waste of having a man of 20 years' experience in command of a vessel of 1,200 tons, having under him five to seven officers, all as fully qualified as himself to command that vessel, should be apparent. The chosen profession of members of the Coast Guard, as in the Navy, is seafaring, and to restrict the services of an officer to command a small vessel, regardless of his efficiency, is a sure way to kill ambition and effort.

By combining the Coast Guard with the Navy, officers could be trained to the responsibilities of command during the earlier part of their career, with promotion to larger ships having larger crews and greatly increased battery power as an ultimate aim. The advantages of this is mutual, affecting both the Navy and the Coast Guard to an equal degree, and certainly tends to the efficiency of the Navy and Coast Guard, in that younger officers have commands with their careers largely before them and every incentive to be active and efficient.

Capt. W. McDOWELL,  
*Bureau of Navigation, Navy Department.*

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LETTER SUBMITTED BY CAPT. A. F. PATTERSON.

Question. What is your name and rank?

Answer. A. F. Patterson; captain of Engineers, United States Coast Guard.

Question. Capt. Patterson, are you familiar with the provisions of the measure we are now considering?

Answer. Yes, sir.

Question. How long have you been in the service?

Answer. Sixteen years.

Question. What class of duties have you performed during your service career?

Answer. The duties pertaining to my grade and such other duties as I have been detailed to.

Question. When did the advisability of transferring the Coast Guard from the Treasury Department to the Navy Department become strikingly, forcibly apparent to you?

Question? I have always thought that the Coast Guard should be under the Navy Department, but the desirability of transferring the Coast Guard became forcibly apparent in August, 1919.

Question. On what duty were you at that time?

Answer. Repair officer of the matériel department of the third naval district.

Question. While on this duty, do you know of any project started by the Navy Department to operate several vessels on Coast Guard duty?

Answer. Yes, sir.

Question. Why was this project not carried out?

Answer. To the best of my knowledge and belief, it was not carried out because the Coast Guard was unexpectedly transferred to the Treasury Department.

Question. What is your present duty?

Answer. Pay and supply officer of the New York division and acting division engineer.

Question. Being familiar with the duties of the division commander's office at New York and familiar with the operations of the Coast Guard store at that place, would or would not it be in the interest of economy to transfer the functions of this store to the supply department of the New York Navy Yard, third naval district? Would or would not this be beneficial to the purchase and distribution of supplies to vessels engaged in Coast Guard duty?

Answer. It would undoubtedly be in the interest of economy to transfer the function of this store to the supply department of the third naval district, eliminating rent and allowing the staff to be designated for other duties. The function of this store would be absorbed and the distribution of supplies taken care of by the present district staff without disturbing the routine of the district staff in the least.

Question. From your observations and experience while on duty in the office of the commandant of the third naval district, what class and type of vessels would be made available for the performance of Coast Guard work if this transfer be accomplished?



Answer. (a) Vessels of the destroyer type, capable of maintaining a speed of 35 knots an hour, equivalent to 40 miles an hour, for work involving saving of lives in emergencies.

(b) Vessels of the gunboat and small cruiser type, for the destruction of menaces to navigation—derelicts, etc. This type of vessel would be valuable for offshore work, including such towing of disabled vessels as might become necessary.

(c) High-powered towboats for such inshore, sound, and Great Lakes work as may become necessary. In this connection it must be stated that these vessels would in no way compete with private enterprise, but would be operated solely with a view to saving life and property at sea.

Question. Being familiar with the provisions of this measure and with the operation of the Coast Guard, will you please tell the committee your views on the subject and whether or not you think it will accomplish increased efficiency in the operation of Coast Guard duties and whether or not you think it will accomplish the economy claimed for it. Please give us what information you can on the points of elimination and duplication of administrative functions.

Answer. It may be stated that any duplication of similar functions is not economical. It may also be stated that to efficiently perform an allotted task suitable tools and equipment must be available. A suitable policy must be established. By that I mean a policy of maintaining suitable vessels, establishing a building program to replace vessels becoming obsolete and worn out. This the Coast Guard has not been able to do by reason of lack of appropriations.

The following functions, or rather units of functions, could be eliminated without detriment to the public welfare: Divisions could be absorbed by the naval district. Coast Guard Academy at New London could be closed and its functions absorbed by the Naval Academy. The Coast Guard stores could be absorbed by the naval districts involved. The Coast Guard repair depot at Arundel Cove could be closed and the necessary repair work for the upkeep of the various vessels could be done at the nearest navy yard.

It should not be overlooked in studying this question that the crews of vessels employed on Coast Guard work would be exercising a dual function, as it were; first, that of sea-going training; second, that of carrying out the duties of the Coast Guard as they should be carried out in view of the enormous increase of merchant shipping. Any comparison of operating expenses, vessel for vessel and type for type, that does not take this into consideration is misleading and of doubtful value.

Testimony as to the net saving that could be accomplished by this transfer is already before the committee. The problem of manning the vessels involved could be easily taken care of by the Navy Department in view of its large and efficient recruiting system.

A. F. PATTERSON,  
*Captain, United States Coast Guard.*

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LETTER SUBMITTED BY CAPT. C. F. HOWELL.

1. Question. Capt. Howell, are you familiar with the provisions of the measure which we are now considering?

Answer. I am.

2. Question. During your service career, what class of duties have you performed?

Answer. Practically every sort of duty under the Coast Guard which is performed by officers of my rank, barring only inspection of life-saving stations.

3. Question. Have you been on duty in the administrative office of the Coast Guard at Washington? If so, in what capacity?

Answer. I served in the capacity of equipment officer, the duties of which are briefly to authorize all articles of supplies for all units of the Coast Guard; to arrange leases of wharves, storehouses, offices, etc., for the use thereof; to procure coal, oils, water, food, and clothing supplies for the entire service; to supervise the administration of the Coast Guard store at New York and that at San Francisco.

4. Question. Are you entirely familiar with the method, means, and sources of supply of the Coast Guard?

Answer. I am perfectly familiar with all of them.

5. Question. Briefly what are they?



Answer. Supplies are secured from the Navy, from the Army, and from outside sources when the two previous methods fail. Effort is made to procure annual contract for fuel, water, oil, fresh ration supplies, etc. Practically no contracts are in force due to the fluctuation of prices and unstability of market conditions. Yearly contracts failing, quarterly proposals to the same end were solicited. These are almost impossible to procure, as the quantities involved are small (being for the use of seldom more than two vessels) and are affected by the same market conditions as the contracts. As the law requires competition if possible, individual proposals are solicited for material immediately required. In many cases dealers will not chance market fluctuations, even for the short period required for the acceptance of these proposals by headquarters, with the result that the large bulk of stores unobtainable from either the Army or the Navy is of necessity purchased almost without competition.

6. Question. From your experience does the Coast Guard get any material percentage of its supplies from the Navy?

Answer. The Coast Guard as a whole secures about 50 per cent of the bulk of its supplies from the Navy, and for Coast Guard cutters about 65 per cent from this source. These figures do not include clothing, as this material in its entirety is secured from the Navy, except rating badges, buttons, etc.

7. Question. Does this method reduce the cost of operations of the Coast Guard? If it does, to what degree?

Answer. This method materially reduces the cost of operation of the Coast Guard. For example: During the present fiscal year the Coast Guard has had approximately \$700,000 worth of purchases of supplies and miscellaneous equipment for its approximately 125 vessels and 290 stations. The difference in cost through buying largely from the Navy is the difference between operation and being utterly unable to do so as the variation of prices rise from almost nothing to 200 per cent. I know of no case where Navy prices have exceeded those in the open market.

8. Question. What would be the result, so far as the Coast Guard is concerned, if these supplies had to be purchased in the open market?

Answer. The Coast Guard appropriation has never been sufficient to purchase these supplies in the open market. Either Congress would have to increase the Coast Guard appropriation or vessels would have to be placed out of commission entirely for lack of funds. In the matter of uniform clothing, the present clothing allowance, even after using the facilities of the Navy, is insufficient to furnish a man with a complete outfit, and the prices of so-called custom-made material of similar class is from 100 per cent to 150 per cent higher than Navy prices.

9. Question. Is the Coast Guard now using equipment that is the property of the Navy?

Answer. It is. All its ordnance equipment, except small arms, remains Navy property; all its wrecking mines are procured from that source and are unprocureable from any other source, so far as I know. Many of the vessels are equipped with Navy standard fixtures, which are impossible to replace or repair except through the Navy or at enormous expense for individual work in the open market.

10. Question. Should this equipment be recalled, what would be the result to the Coast Guard?

Answer. The Coast Guard would possess none of the attributes of the armed forces other than that represented by rifles, automatic pistols, and a few machine guns. Even if money were available, it would require a very long period to replace this ordnance material. It is essential to the use of the Coast Guard even in peace time, as it is used for dispatching lines to wrecked or distressed vessels under conditions that will not permit the near approach of the cutters or the use of boats.

11. Question. To what extent does the efficient operation of the Coast Guard depend upon the facilities of the Navy Department?

Answer. In my opinion the efficient operation of the Coast Guard is utterly dependent upon the facilities of the Navy Department, and were they withdrawn in their entirety, the personnel of the Coast Guard would be a mob instead of an organization, the difference being in being uniformed or not so equipped. Some years ago the Coast Guard attempted to purchase this uniform equipment in the open market, when the average elapsed time between the placing of the order and the delivery of the material was six months, during which period the enlisted men had usually given up in despair of ever being military and deserted



the service. During acute commercial conditions the Coast Guard practically throws itself upon the mercy of the Navy in the procurement of its supplies. In an expedition planned for Alaskan duty, the Coast Guard was not influential enough to secure the delivery of essential fuel. It secured the assistance of the Navy Department, which successfully used its good offices to make possible the prosecution of this important duty.

12. Question. Being familiar with the provisions of this measure and familiar with the operations of the Coast Guard, will you please tell the committee your views on the subject and whether or not you think it will accomplish increased efficiency in the operation of the Coast Guard duties and whether or not you think it will accomplish the economy claimed for it? Please give me as much duplications of administrative functions.

Answer. The passage of this bill will unquestionably increase the efficiency of the Coast Guard. At present the Coast Guard personnel is recruited from the streets and the securing of a competent man is rare. These enlisted men must be taken untrained into the Coast Guard units where the opportunities for broad training are very limited. The amount of work necessary for the upkeep almost precludes the possibility of prescribing an approved and accepted course of instruction. The Navy operates schools and training stations for the proper training of this class of material and with their resources in men and equipment are able to best lay the groundwork of efficiency before the necessity arises to jeopardize the safety of the Government vessels by putting to sea with a crew from 60 per cent to 90 per cent untrained. The Coast Guard cutters, when called upon in an emergency, eke out the supplies secured from the Navy by the promiscuous placing of proposals in the open market, often without competition and at wasteful prices. This would be a violation of law except for the fact that Coast Guard cutters are usually operated under an exigency which excuses the failure to secure competition. These vessels when offshore receive their information largely through naval radio, and it is but natural that naval operators will not give precedence over Navy messages to those addressed to other units. Under the present system, if a vessel is in need of assistance, the Coast Guard sends one of its cruising cutters, regardless of whether she is of the proper size, too large or too small. If she happens to be too small, no proper results can be expected. If she is too large, the cost of operation is unnecessarily disproportioned to the requirements of the case. The Navy is possessed of practically a complete assortment of vessels of all sizes, the smaller of which would undoubtedly be officered by warrant officers and chief petty officers who with a little additional training would be perfectly competent to handle these units in perfect satisfaction and success.

The Coast Guard vessels upon which dependence is laid for the performance of Coast Guard duties are now officered by men of "super" experience. Many vessels of approximately 1,000 tons have no commissioned officer of less than 10 years' experience, and many of them are of 20 or more years' experience. The duties performed by the Coast Guard are not now, nor have they ever been, sufficiently intricate to require this comparatively vast experience. The present officer personnel has proven overtrained for its duties. Officers of reasonable experience are not utilized, for the reason that by so doing the officers of small length of service would be practically relegated to the supernumerary class. Broadly speaking, all officers of the Coast Guard are willing, energetic, and proficient. There is small incentive to study, as there are no higher duties to which one could graduate. We are all gunboat experts, and 75 per cent of us should be available successively for cruiser, battleship, and such other larger duties as the Navy requires. The Navy is short, woefully short, of people who have the seagoing habit and experience. These can be obtained only by the elapse of time, while conscientious effort, aided by the kindly and proper distribution and assignment of duties would permit Coast Guard officers to aid and assist in the Navy at the points where it is now in the very greatest need of assistance. From my experience as supply officer there is no doubt that economy in a monetary sense would be largely obtained.

The present cost of the Coast Guard ration is approximately 82 cents, of which approximately 50 cents represents purchases from the Navy. The cost of the present Navy ration, which is entirely similar to that in the Coast Guard, is 68 cents, of course represented entirely by purchases from the Navy contractors. This difference of 14 cents per man per day is the difference in the efficiency of proposals method in the securing of 18 cents' worth of food and is absolutely illustrative of the fact that Coast Guard open-market purchases cost



the Government nearly 100 per cent more than would be expended if all purchases were made from the Navy. At present it is impossible to utilize the full value of the Navy ration, because all packages are of such sizes that they can not be handled by Coast Guard cutters.

The upkeep of the navy yards (which is in itself a military necessity) is approximately constant and, overhead charge distributable to the cost of performing work is entirely based on a percentage of full capacity at which the yard is worked. Many navy yards are embarrassed by the necessity of having to alternately hire and discharge their best workmen. The more this is done the more seriously the effectiveness of the yard is reduced.

Practically the entire Coast Guard fleet of seagoing vessels is in urgent need of repair. Money would unquestionably be required to make these repairs, but the cost of obtaining a given result is by experience considerably less and the quality of work is considerably better than that performed in privately owned yards. I have talked with several officers who are not in favor of this legislation, and the best reason the majority of them can offer for their desire to remain under the Treasury is that the Coast Guard was a good little organization and should be rehabilitated and returned to its highest state of efficiency. This under present conditions is impossible; economy and more economy is the watchword. As late supply officer, I asked Congress for approximately \$1,700,000, every cent of which was assential for the proper operation of the Coast Guard fleet. Congress authorized approximately \$700,000. The fleet will continue to operate, but on this item alone it will operate at seven-sevenths of its efficiency. Excuses are a matter of convenience, and in case of the failure of the Coast Guard to satisfactorily perform any given duty at any given time neither the Congress, the country, nor the shipping interests would or should be in any degree interested in the excuses.

C. F. HOWELL,  
*Captain, United States Coast Guard.*

LETTER SUBMITTED BY CAPT. CHARLES S. ROOT.

TREASURY DEPARTMENT,  
UNITED STATES COAST GUARD,  
U. S. S. "*Fear*" (*Ex-Eagle* "No. 22"),  
Navy Yard, Norfolk, Va., June 8, 1920.

HON. GUY E. CAMPBELL,  
*House of Representatives, Washington, D. C.*

MY DEAR MR. CAMPBELL: I am just in receipt of your letter of May 29, forwarding certain questions which you had intended to ask me had I had opportunity to testify before the committee which has under consideration H. R. 5516.

The questions and answers follow:

1. Question. Capt. Root, are you familiar with the provisions of the measure which we are now considering?

Answer. I am.

2. Question. During your career what class of duties have you performed?

Answer. Services of almost every description, afloat and ashore, including foreign duty in two foreign wars, duty at Coast Guard headquarters and as aide to an admiral for an extended period.

3. Question. Have you ever been on duty in an administrative office of the Coast Guard at Washington? If so, how long and in what capacity?

Answer. Yes; as assistant to the engineer in chief for almost four years.

4. Question. Are you thoroughly familiar with the operation of the Coast Guard in all its functions?

Answer. I am.

5. Question. To what extent does the efficient operation of the Coast Guard depend on the facilities of the Navy Department?

Answer. For all ordnance and ordnance supplies and ammunition, including wrecking mines and excepting small arms; for all uniform clothing; for about 60 per cent of all other supplies, and about 50 per cent of all repairs. We also depend almost entirely on the Naval Communication Service for off-shore radio work.

6. Question. Being familiar with the provisions of this measure and familiar with the operation of the Coast Guard, will you please tell the committee



your views on the subject and whether or not you think it will accomplish increased efficiency in the operation of the Coast Guard duties and whether or not you think it will accomplish the economy claimed for it. Please give as much information as you can on the points of elimination of the duplication of administrative functions.

Answer. Eliminating discussion of that part of the service with which I am totally unfamiliar—the former Life-Saving Service—the whole matter reduces to the following simple proposition:

Upon the passage of House bill 5516, the Coast Guard will cease and determine; it will be wiped out of existence, "lock, stock, and barrel"; matériel and personnel. We need not inquire whether or not this or that officer, or office, vessel, or station, will remain a charge against the Government. The Coast Guard, in its entirety, will have ceased to exist, together with all its former cost. Its duties in their entirety will be taken over by the Navy.

The assumption of these duties by the Navy will not require the appropriation of a single copper cent. The entire annual appropriation will be saved.

The present authorized strength of the Navy is about 5,500 officers and 143,000 men. The Navy at present lacks 1,200 officers and 37,000 men of being at full strength. The Coast Guard personnel will, in a measure, help to reduce this aching void. Here, again, we need not inquire whether or not any Coast Guard officer or man will receive more or less pay. The query is not pertinent because the Coast Guard man will simply fill a vacancy, which, if not filled by him, will be filled by some other officer or man from other sources, who would have to be paid. The bill does not provide for an increase in the Navy. It abolishes the Coast Guard and cuts off all expense connected with it. So much for economy. As a citizen interested in the well-being of my Government I believe that these several millions should be saved and not wasted on what seems to me to be a wholly unnecessary duplication of the Naval Establishment.

As an officer of our Military Establishment, I am, of course, deeply interested in its sufficiency and efficiency. Examined from this angle the Coast Guard is not sufficiently strong to perform its duties, struggle and battle as we may. Our once excellent fleet of small gunboats is worn out and even if it were still in prime condition it would be wholly inadequate both as to numbers and size of units. To make it sufficient will require the building of four vessels a year for 10 years, which means, in turn, forty or fifty million dollars.

To perform the duties which our maritime population expects of us, we need vessels ranging from 10,000 tons to 10 tons and of many intermediate sizes. To drive into a raging gale at 8 or 10 knots against a mountainous sea and be able to stand by a foundering ship a hundred miles offshore calls for a powerful armored cruiser or vessel of like strength. A puny 1,000-ton gunboat is absolutely impotent under such conditions. If she takes care of herself she does well. For patrolling Alaskan waters the 1,000-ton gunboat is well suited, because she is economical. For working on stranded vessels the mine sweeper is the thing, and for this duty alone we need four times as many as our present total fleet provides. For preventing "whisky running" from Cuba and Mexico we need the fast 750-ton destroyer or 500-ton Eagle and perhaps sea sleds and large seaplanes, and for other stations perhaps the 85-foot Navy tug, Navy standard steam cutters, and motor sailers.

We can not expect Congress to provide us with this variety of equipment, and even if the Congress would do so it would be sinful waste when the Navy already has an abundance of high-class vessels of all these types suited for both peace and war.

I believe that deliberate and careful examination of these statements will make it obvious to anyone that the Navy should take over the duties of the Coast Guard at once, so that our large merchant fleet may be provided with proper protection against the dangers of the next and all following winters.

7. Question. Would not the addition of the Coast Guard vessels to the naval force add to the expense of operating and maintaining the navy yards?

Answer. No. As I have already stated, the duties of the Coast Guard will be performed by vessels of the Navy, which must be maintained in commission in their business of being always ready for war. In this connection it should be realized that a navy yard is in no sense a commercial manufacturing establishment. It is just as much of a military post as any coast-defense battery. It must be maintained, regardless of how little work there is to do. Its "overhead" cost is a constant charge and runs anywhere from about 100 per cent, when there are a few ships under repair, to as low as 16 per cent with a full yard. While



on duty as repair officer in a large naval district I found the average "overhead" in private yards to be about 30 per cent. Under these conditions of full employment the Government establishment turned out all work at lower cost.

A little thought will show that if the Government used its own plants for all its work that an actual saving would accrue, in that these large, indispensable military posts would be practically self-sustaining.

CHAS. S. ROOT.

LETTER SUBMITTED BY CAPT. PHILIP F. ROACH.

WASHINGTON, D. C., June 5, 1920.

Hon. GUY E. CAMPBELL, M. C.,  
Washington, D. C.

MY DEAR MR. CAMPBELL: Replying to your letter of May 29, 1920:

1. I am familiar with the provisions of the bill (H. R. 5516) providing for the transfer of the Coast Guard to the Navy.

2. I am now assigned to duty at Coast Guard Headquarters as ordnance officer and as assistant to the director of recruiting.

3. I consider that I am familiar with the operation of the Coast Guard in practically all its parts, as I have served on vessels in Alaskan waters, on the Pacific coast, the Great Lakes, the North Atlantic coast, the Chesapeake Bay, and the South Atlantic coast, and at headquarters.

4. In the operations of the duties of my office, the Coast Guard is dependent on the Navy for wrecking mines, the guns on board vessels and ammunition for them, for certain inspections of smokeless powder, and for all the literature and instructions relative to guns, ammunition, wrecking mines, powder, Infantry and gun drills, and target practice, both gun and small arms.

5. I have served on a Coast Guard vessel in European waters during the recent war and had served in the Division of Construction and Repair at Coast Guard Headquarters.

6. Under the present organizations of the Coast Guard and the Navy as separate services, each organization has a certain part of the personnel engaged directly in the performance of its duties and a certain part engaged in directing the operations of, inspecting, training, and providing with equipment and supplies, the personnel engaged directly in the performance of the duties.

The Coast Guard operating as an independent service performs its duties through the following agencies: Coast Guard cutters, Coast Guard stations, captains of ports, the St. Marys River patrol, the Florida coast patrol, and the supervisor of anchorages at New York, the personnel of which are directly engaged in the performance of the duties. Practically the same personnel will be required directly in the performance of the duties whether the Coast Guard operates as a separate organization or whether the Navy performs the duties as contemplated in the bill under consideration.

The pay and allowance of the Coast Guard being the same as the pay and allowance of the Navy, the cost of the personnel will be exactly the same whether it be Navy personnel as contemplated in this bill or Coast Guard personnel performing the duties.

However, in addition to the personnel engaged directly in the performance of the duties, the Coast Guard operating as an independent service requires certain administrative officers, and academy for training officers, and purchasing officers, with officers, school buildings, warehouses, etc., with the necessary personnel to operate them. The Navy now has administrative officers, an academy for training officers, and supply officers, with offices and warehouses which can carry on this work at practically no additional expense to the Navy. The abolition of this overhead expense of providing duplicate facilities for doing practically the same work will amount to a yearly saving of over \$614,000 to the Government.

The overhead expenses to be eliminated are headquarters, effecting an annual saving of \$200,000; the division commanders at Boston, New York, San Francisco, and Seattle, effecting a net annual saving of \$80,000; the seven division supervisors of communications, effecting a net annual saving of \$25,000; the office of the commanding officer of the Florida Coast Patrol, effecting a net annual saving of \$8,000; the offices and warehouses of the purchasing officers at Brooklyn, N. Y., and San Francisco, effecting a net annual saving of \$60,000; the Coast Guard Academy, effecting a net annual



saving of \$219,000; the recruiting offices, effecting a net annual saving of \$22,000.

The above does not include all the saving to the Government, as I am unable to ascertain how much saving could be effected at all places, such as the Coast Guard depot at South Baltimore, Md.

The increased cost of personnel to the Navy on account of this proposed legislation, over the cost to the Coast Guard, is contained in—

Section 4, 13 district superintendents-----	\$17,000
Section 5:	
9 civil engineers at an increased cost of-----	11,640
12 supervisors of telephone lines at an increased cost of-----	13,350
2 repairmen of motor boats at an increased cost of-----	2,080
Section 8:	
14 chief boatswains, former masters' mates, at an increased cost of-----	4,340
45 chief boatswains, former keepers, at an increased cost of-----	25,200
Section 11, promotion of 1 officer on the retired list, at an increased cost of-----	480
Making a total of-----	74,090

The difference between the saving on \$614,000 overhead expenses and \$74,090, the increased cost of the personnel as provided by this bill (H. R. 5516), is over \$500,000, a net annual saving to the Government.

The duties of headquarters can be performed by the Navy Department at an additional expense to the Navy of only a very small fraction of what it costs to operate headquarters. The duties of the division commanders can be performed by the commandants of the naval districts at no expense to the Navy. The duties of the division supervisors of communications can be performed by the district communication superintendents at no additional expense to the Navy. The duties of the office of the commanding officer of the Florida Coast Patrol can be performed by the commandant of the seventh naval district at no additional expense to the Navy. The duties of the purchasing officers can be performed by the supply officers of the Navy at practically no expense to the Navy. As the proposed legislation provides that no further appointments shall be made to the Coast Guard there will be no further need for the academy.

The Navy can take on this additional work without appreciably increasing its overhead expenses because the Navy and the Coast Guard are organized on practically the same lines. Because of the great size of the Navy and as it is essentially an emergency service, it is so organized that it can take on or lose 5,000 or 6,000 persons, 25 or 30 vessels of the gunboat type, and a number of tug-boats and launches without altering its organization and at practically no additional expense for administration.

The large proportion of high-salaried persons in a small organization is illustrated in the Coast Guard itself. In 1912 there were 1,426 enlisted persons in the Revenue-Cutter Service, for which were required 240 commissioned officers for line and engineering duty, or 16.7 per cent. In 1916 there were 3,579 enlisted persons in the Coast Guard, for which were required 255 commissioned officers for line and engineering duty, or 7.5 per cent. In 1921 there will be required for the Coast Guard 5,745 enlisted persons, for which 255 commissioned officers for line and engineering duty, are authorized, or 4.4 per cent.

Carrying the analogy still further, the Navy, with its big organization, for 5,745 enlisted persons requires 230 commissioned officers for line and engineering duty, or only 4 per cent.

The reason for the relatively large number of higher paid persons in a small organization is due to the fact that the number of administrative officers required is practically the same for a small organization as for a large one and consequently bears a greater proportion to the rest of the personnel.

Not only can the Navy perform the duties of the Coast Guard with less overhead expense but it can operate the units at a less cost than can the Coast Guard operating as an independent organization.

Take rations for example. The cost of the rations issued in kind to the men of the Navy during the six months from July 1, 1919, to December 31, 1919, was \$0.6868 per ration. During the same period the rations in kind issued to the men of the Coast Guard cost \$0.8152 per ration. The Navy ration cost \$0.1284 less than the Coast Guard ration. During the same period of six months there were issued 316,330½ rations to the men of the Coast Guard, 316,330½ rations



at \$0.1284 amounts to \$40,616.81 for six months or \$81,233.62 per annum saved on rations alone if the personnel performing these duties were in the Navy.

I am also of the opinion that the Navy can purchase supplies cheaper than the Coast Guard can because it purchases much larger quantities and obtains better prices thereby. It has been my experience that when the Coast Guard purchases coal it costs the Government more for coal for Coast Guard cutters than it does for naval vessels at the same port. But price alone does not determine the economy of purchases. Inspection is an important factor. When the Coast Guard purchases coal it is received from the dealer as he delivers it, the only inspection it receives is that the engineer officer looks at it. The Navy makes a very careful scientific analysis and inspection of the coal it purchases to insure that the very best coal is received—an important factor in small vessels whose cruising radius is limited, and an important factor in the cost of operating vessels. A further consideration is the storage of coal. The President's Bituminous Coal Commission has recommended that the Government receive its yearly supply of coal prior to July 1st. The Coast Guard has no bunkers in which to store a year's supply. The Navy has facilities for doing so.

There will be no loss in efficiency if the Navy performs the duties now performed by the Coast Guard, but to the contrary increased efficiency will result.

First, the Navy gets the vessels, stations, and the personnel of the Coast Guard to perform these duties, therefore, they will be at least equally well performed.

Second, the Navy Department can better prepare the vessels, stations, and personnel for their military duties than can the Treasury Department.

Third, the customs duties can be equally well performed by the Navy. The collectors of customs now have no control nor supervision over the movement of Coast Guard cutters, and that system has worked satisfactorily. The importance of the Coast Guard vessels for the collection of the customs revenue is not very great. In my experience of 13 years as a commissioned officer of the Coast Guard I do not know of one dollar turned into the Treasury by the Coast Guard activities, nor of the apprehension by the Coast Guard of a single person attempting to smuggle goods into the country. Not only have I no such knowledge but I have never heard of any of my friends in the service speak of having taken part in the collection of any customs revenue nor of apprehending any person smuggling goods into the country, nor will a perusal of the annual reports since 1912, the first annual report, disclose any such service having been rendered by the Coast Guard. In all those years the annual reports show that only one vessel was turned over to the customs officials by the Coast Guard. The Coast Guard has performed some service in connection with the smuggling of Chinamen, but the Navy can do this work for the Department of Commerce just as well as the Treasury Department can.

Fourth, there will be more immediate supervision, as the Navy has 11 commandants of naval districts on the seaboard of the United States, on the Great Lakes, and at the Hawaiian Islands, while the Coast Guard has only 4 division commanders to perform this duty.

Fifth, the relations between the Coast Guard cutters and the Naval Communication Service will be coordinated, with responsibility definitely fixed, and coordination in one department tends to greater efficiency than does cooperation between two departments. From the moment a vessel at sea meets with an accident the forces of the sea are slowly but surely increasing the damage to the vessel and the peril of the persons on board. It is essential that help arrive at the earliest possible moment. In case of a stranding, the vessel commences to make a bed for herself. Navy radio stations are connected with the Coast Guard telephone lines and with the commercial telegraph lines, and the operators at these naval radio stations are continuously on watch to pick up a distress call. The Naval Communication Service now cooperates with the Coast Guard cutters, and when the cooperation is particularly good the results are satisfactory. I quote from a note made by Capt. W. J. Wheeler, who commanded the Coast Guard cutter *Manning*, stationed at Norfolk, Va., the past winter. Capt. Wheeler states:

"The communication system of the United States naval base was utilized by keeping in touch with the communication office—when at wharf by telephone, when at anchor or under way by constant wireless watch.

"This communication office has not only the advantage of the great radio station, but also telephone connection with the Coast Guard line, north and south, and connection with the Western Union and Postal offices uptown. The cooperation was splendid, and the radio compass stations were invaluable both



for locating vessels and bring them in. The radio compass aboard has also done splendid work for short distances.

"The berth at wharf naval base proved to be invaluable, as affording facilities for obtaining stores and water, giving us the medical aid of the naval base, and many other advantages. The courtesy shown by naval authorities was very marked."

I have never before heard of such close cooperation between the Navy and the Coast Guard and have never witnessed such close cooperation, but I have seen much hearty cooperation between these services.

If this legislation be enacted, the commandants of the naval districts being responsible for the performance of the Coast Guard duties, and having the vessels detailed for the performance of Coast Guard duties as a part of their commands will cause all the naval stations along the coast to furnish their valuable facilities for the Coast Guard cutters in the performance of their duties. In addition to the facilities mentioned by Capt. Wheeler, there are other facilities at the navy yards which would be available for rescue work if the Navy performed those duties such as divers, pumps, lighters, heavy tackles, heavy anchors, etc., which the Coast Guard does not now have.

Sixth, the Navy, through the commandants of the naval districts, has performed these duties for about two and a half years, and has done it successfully.

I am not criticizing the organization of the Coast Guard, nor any person in it. I am firmly of the opinion that no other service, operating as an independent organization, can perform the duties any more efficiently, and that no service organized along other lines can perform the duties as well as does the Coast Guard, but I do think that it is an unwarranted extravagance to maintain two separate services organized along lines so similar as are the Navy and the Coast Guard, with the consequent duplication of administrative, training, and supply overhead expenses, at a needless expenditure of over half a million dollars per annum.

Sincerely, yours,

PHILIP F. ROACH,  
*Captain, United States Coast Guard.*

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LETTER SUBMITTED BY CAPT. M. S. HAY.

Without going into the detailed conditions of the transfer as outlined in the proposed legislation, let us consider the question in general from the viewpoint of economy and efficiency in governmental administration, which, to my mind, is the main fact to be considered and upon which the final outcome rests. This transfer, if effected, will save to the Government the actual pay roll of the Coast Guard. It is noted that this item for the forthcoming year amounts to \$5,776,000. This may seem a rather startling announcement to make, and it is necessary to go a little more into detail, for it is a saving that will not become evident immediately upon the passage of this legislation.

Note that the provisions of these two bills do not increase the authorized strength of the Navy either as to commissioned or enlisted personnel, and it is proposed that the Navy shall simply absorb the Coast Guard personnel without increasing its authorized strength. Therefore, unless this transfer is consummated when the Navy reaches its authorized strength the Government will not only be paying for its support but in addition for the support of the Coast Guard, and, on the other hand, if this transfer is accomplished there will be no Coast Guard to support, and this saving in pay roll becomes evident.

Many of the administrative functions of the Coast Guard are duplications of functions, which already exist in the Navy. By combining the two services there will be a saving in overhead charges. For example, we will take the matter of recruiting. The conditions are such in maritime industry that the Coast Guard has been forced to enter the recruiting field in competition with the Army, Navy, and Marine Corps, and maintains in several cities recruiting stations where there are also recruiting stations of the Navy. A transfer to the Navy would result in abolishing all these recruiting stations.

Again, the service maintains an academy at New London for the training of cadets to become commissioned officers. This institution has also been enlarged to accommodate the training of raw recruits to become useful members of crews of Coast Guard ships. Transferring the service to the Navy would



eliminate altogether this institution and the expense for its maintenance. The Naval Academy and the several Navy training stations would absorb the functions of this institution.

Again, the Coast Guard maintains several divisional offices for operation in the field, as, for example, at Boston, New York, San Francisco, Seattle. These are coexistent with the naval district organizations, which, were the Coast Guard to be permanently transferred to the Navy, would absorb the functions of these divisional headquarters. The naval district organizations as now existing offers an ideal organization for administering the duties of the Coast Guard in the field. The transfer of the duties of the Coast Guard to the Navy would call for no additional organization on the part of the Navy.

Again, the Coast Guard maintains two stores—one in New York and one in San Francisco—the purchasing and distribution of equipment and supplies. Transferring the service to the Navy would eliminate these two stores and their functions would be absorbed by the Bureau of Supplies and Accounts.

Again, the service maintains at Arundel Cove, South Baltimore, Md., a depot for the repairing of Coast Guard ships and the building of small boats. This depot is, in effect, a small navy yard. By transferring the service to the Navy the work now performed at this yard would be performed at the existing navy yards.

Again, the Coast Guard now has in operation a complete system of communication between all stations along the coast, either by telephone or telegraph. There are in the field several officers assigned as supervisors of telephone lines. By transferring the Coast Guard to the Navy the telephone system of the Coast Guard would be absorbed by naval communications, to which in time of war it is a necessary adjunct.

Finally, the transfer of the Coast Guard to the Navy would do away with Coast Guard headquarters at Washington, with all its attending expense for personnel, supplies, etc., for the functions pertaining thereto would be absorbed by the Navy Department with practically no material increase in personnel detailed for administrative work.

All the above instances show that there is a great duplication of functions existing between the two services at the present time. It would be difficult to put in dollars and cents the saving to the Government were these functions to be combined under one head, but it is evident that it would result in a very material saving, which, added to the eventual saving in pay of personnel amounts to a very considerable item in the expenses of our Government.

The main duty of the Coast Guard, and the one for which fully 95 per cent of effort is expended, is the saving of lives and property at sea and on our seacoast. The efficient performance of this duty requires vessels of various types. In several instances in the past the Navy has been called upon to perform duty of this kind, especially where speed is one of the requisites. Cases of relieving distress at sea may vary from a vessel sinking in mid-ocean, where lives are at stake, to a vessel stranded on the coast, where it may be it is only a question of saving property. The first requires speedy action by a speedy vessel such as a destroyer; the latter may require a powerful tug with wrecking appliances. To fully equip the Coast Guard to efficiently perform this duty would require an expenditure of money probably more than Congress would see fit to appropriate.

The Coast Guard has tried to design a type of ship which best meets all requirements as far as possible. Is it not reasonable to believe that this duty of the Coast Guard would be more efficiently performed by the Navy, which has various types of ships to best meet the various kinds of assistance to be rendered?

The former Revenue-Cutter Service was instituted for the protection of the customs revenue, and through the gradual depletion from the Treasury Department of its various bureaus and divisions this fact has held the Revenue-Cutter Service as the only bond between it and that department. Through the evolution of ocean traffic that duty of the service has become practically obsolete, and whatever smuggling is existent at the present time is confined to petty smuggling by passengers on large steamers or in "border running." Both these are outside of the realm of the Coast Guard as at present organized, with probably the exception of interior waters along our border or among the reefs of the Florida coast. The seagoing type of Coast Guard cutter could not be utilized to advantage in the prevention of smuggling in such localities. This can be better performed by small and speedy launches, the operation of which does not require the knowledge of navigation and seamanship in which the personnel of the Coast Guard is instructed. Were the service to be transferred to the Navy



whatever work of this nature were required by the Treasury Department could be performed by the Navy fully as well as it is now being performed by the Coast Guard, and also, it is thought, at less expense, since where the Coast Guard is now using commissioned officers qualified for more responsible duties on a larger ship the Navy could man these small craft with warrant personnel or with those of the chief petty-officer class. In this connection it does not seem logical for the Government to train a young man as cadet, and not only instruct him in the duties of the seagoing profession, but also pay him for three years while he is undergoing instruction, and then place him on a vessel the size of a subchaser to hunt smugglers on inclosed waters.

The Coast Guard automatically transfers to the Navy at the outbreak of war, and it must therefore be considered as a sort of reserve to the Navy. Unless the service keeps pace with the Navy in respect to ordnance, discipline, administrative routine, etc., at the time of such an emergency there is bound to be more or less confusion at a time when it is important that there should be no confusion. This, to me, is a very important argument in favor of a permanent transfer of the service to the Navy.

M. S. HAY,  
*Captain, United States Coast Guard.*

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LETTER SUBMITTED BY DR. W. F. WILLOUGHBY.

INSTITUTE FOR GOVERNMENT RESEARCH,  
*Washington, D. C., June 14, 1920.*

HON. GUY E. CAMPBELL,  
*House Office Building, Washington, D. C.*

MY DEAR MR. CAMPBELL: I am in receipt of your letter of June 12 expressing regret that it was not practicable to have me testify orally at the hearings on the bill H. R. 5516, having for its purpose to permanently transfer the United States Coast Guard from the Treasury Department to the Navy Department, and requesting that in lieu thereof I should submit answers to three questions having for their purpose to bring out the results of any studies that I may have made relative to the advantages to be gained by making the proposed transfer. I take pleasure in replying to these three questions below:

1. I am familiar with the provisions of the measure under consideration, having examined the bill with great care.

2. I am familiar with the Coast Guard operations. The President's late Commission on Economy and Efficiency, of which I was a member, made an exceptionally thorough study of the organization and work of the Revenue-Cutter Service and of the Life-Saving Service, which two services were then separate services under the Treasury Department, and which were subsequently consolidated into the present United States Coast Guard under the Treasury Department.

I had direct charge of the prosecution of these studies and of the preparation of the report, giving the facts regarding them and the conclusions reached by the commission. I feel, therefore, that I have a rather intimate and detailed knowledge regarding both the general purposes and the specific activities of the United States Coast Guard.

3. On the basis of such study I am convinced that the following changes should be made in respect to the location and work of that service:

(1) The work of the United States Coast Guard has almost no relation to the work of the Treasury Department, and the location of the service under the Treasury Department is thus detrimental to the operation of that department. It compels the Secretary of the Treasury to assume responsibility for and to give a part of his attention to a service having practically nothing to do with his duties as head of the financial department of the Government. The only activity of the Coast Guard that by any stretch of the imagination can be deemed to pertain to the primary duties of the Treasury Department is that in respect to the patrol of the coast for the purpose of preventing smuggling or to assist in the enforcement of the customs laws. The President's Commission on Economy and Efficiency made an exceptionally careful study of the extent to which this activity was a real one. It found that in point of fact the service performed no work of value in this way. Its activities in this field were of the most nominal character. It was the almost universal testimony of officers of



the service that their activities in this field amounted to practically nothing. I do not dwell further on this matter, since I find on reading the hearings on House bill 13392 and House joint resolution 382, of January 13 and February 6, 1919, the testimony is overwhelming and convincing on this point. Anything that I could say would be but a repetition of what has already been said by those now actually conversant with the operations of the United States Coast Guard.

(2) It being established, therefore, that the Coast Guard finds no place in the Treasury Department, the question is raised in respect to the department to which it should be transferred. As regards this matter, the President's Commission on Economy and Efficiency was emphatic that all of the duties performed by the revenue-cutter branch of the Coast Guard could be performed by the Navy Department as a part of its current work. The transfer of the service to the Navy Department would result in increased efficiency, since the Navy would have available for the work of the Coast Guard not only the vessels of the Coast Guard transferred to it, but all of its other smaller naval vessels. It would, furthermore, bring about an economy to be measured by almost the total expenditure of funds now made for the maintenance and operation of the revenue-cutter branch of the Coast Guard Service. In time of peace the Navy is compelled to maintain and operate vessels and to engage in the navigation of these vessels through its officers, in order that the latter may secure experience in navigation. The new young officers could be detailed for this work and would thus secure not only experience in navigation but a personal knowledge of our coastal waters and harbors. The fact is that at the present time the United States Government is maintaining in the Coast Guard a service for coast patrol that is doing no work that can not be done by the Navy Department with little or no addition to its expense.

(3) It is my personal opinion that the life-saving branch of the Coast Guard Service should ultimately be consolidated with the Bureau of Lighthouses. The two services have the same general purposes in view. Their stations are for the most part located within a few hundred yards or two or three miles of each other, and if consolidated the same personnel could have charge of the lighthouses and be available for rescue work in case vessels were driven ashore or in distress. The present bill in order to simplify the matter provides for the transfer of the complete United States Coast Guard to the Navy. Such a transfer would constitute a great improvement over existing conditions and would effect a great economy in the expenditure of the public funds. Subsequent to this being done attention might then be given to the more special question of retransferring the life-saving branch of the service to the Bureau of Lighthouses as above suggested.

I have made my reply to the three questions propounded by you rather brief since I find that the points that I would desire to make have been so fully brought out by other witnesses in the testimony, and especially by yourself, in the letter which you addressed to the chairman of the Committee on Interstate and Foreign Commerce under date of February 7, 1919, and which was included in the hearings above referred to.

Trusting that the foregoing will in a measure meet your wishes, I am,

Yours, truly,

W. F. WILLOUGHBY,  
*Director.*





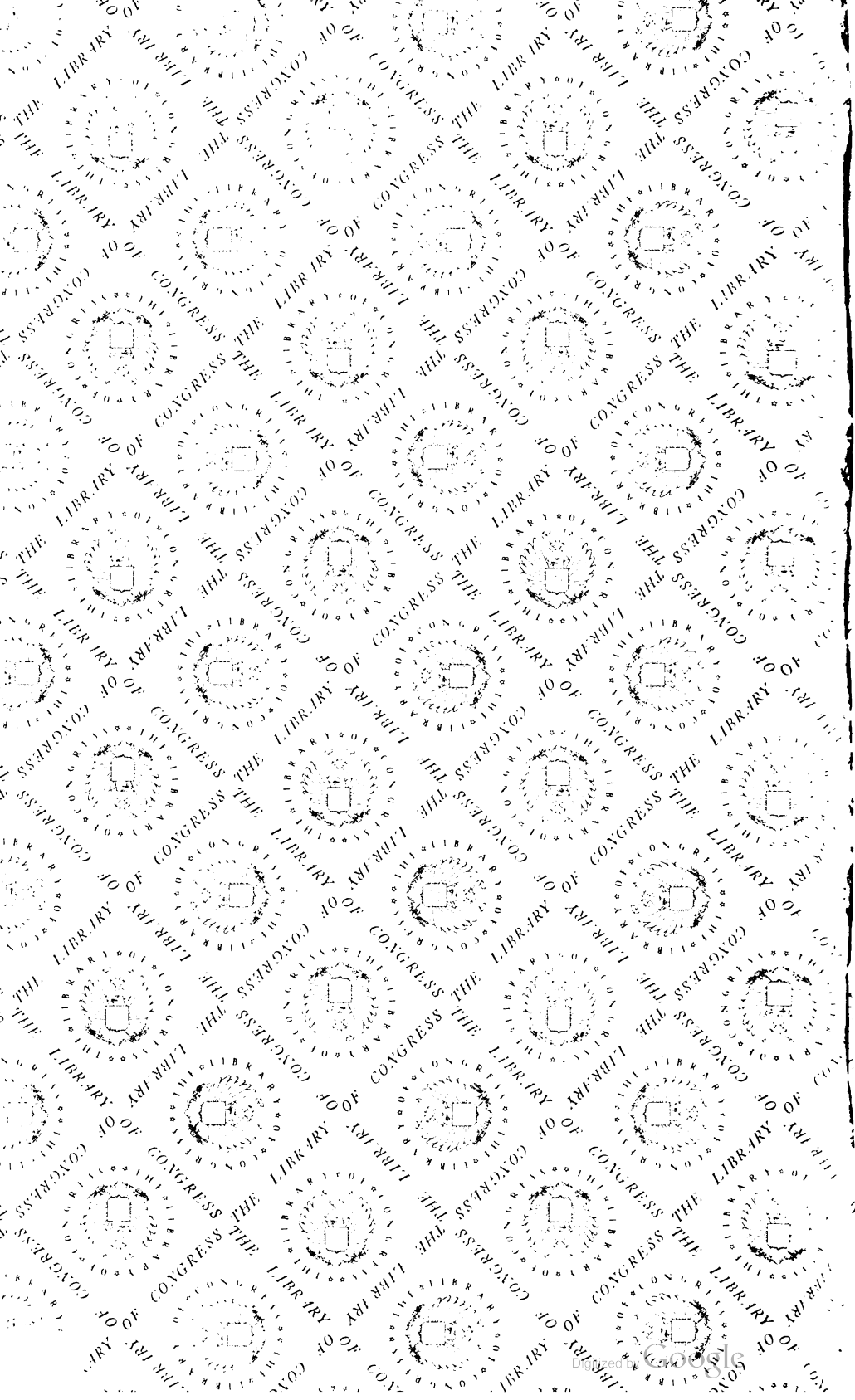


















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